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#### NEWS SUMMARY

#### GENERAL

## Walker blames **EEC** for deadlock

#### Agriculture Minister Peter Walker blamed the EEC for the breakdown of fisheries negotiations in Brussels. He said lastmînute proposals, particularly about French access to British coastal waters were "totally

His stand was supported by all sides in the House of Commons, But West Germany has its own plans for dealing with the deadlock, for which it blames Britain. Page 2, Page 12,

#### Reagan move

The Reagan Administration is expected to ask Congress to repeal the 1976 Clark Amend-ment, which banned U.S. aid o insurgents fighting Angola's Cuban-backed government. Such decision would have wide molications. Back Page

#### Caviar swindle

Soviet foreign trade officials are being arrested following a multi-million rouble caviar swindle in which it is said, the gournet fond was exported as herring, mostly to Japan, and importers shared the proceeds with the Ministry men. Back

#### Hijack mission

Two relatives of the Pakistani hi-jackers of the aircraft which has been at Damascus since Sunday have been flown there to try to persuade the gunmen to release their 100-plus hostages.

#### Bani-Sadr may go President Bani-Sadr of Iran is Page 35

threatening to resign following attacks on him by fundamenta-list opponents. Page 3

#### Police defended

Jim Jardine said it was "a damnable lie" accusations that the police was not doing enough to solve the New Cross fire tragedy in which 13 young black died. He said it was a disgrace hat Labour leader Michael Foot appear to lend his weight to the suggestion.

#### Belfast man Peter Rodgers was

convicted by Dublin's antiterrorist court of shooting dead policeman in Co. Wexford and entenced to hang. Floods in Wales

Following three days of heavy rain floods swept many parts of South and West Wales. A dozen major rivers swelled to danger level. At Gelli in the Rhondda, 50 people were evacuated because their houses were threatened by a colliery tip. Devon, Leicestershire, Sussex and Suffelk were also badly hit.

## Stewardship idea

companies should be forced to give shop stewards time off to put the union message across to; schoolchildren, UCATT to schoolchildren, UCATT general secretary Les Wood told MPs. Page 7

#### Briefly . . .

Sir Maurice Oldfield, former head of MI6 and Ulster security co-ordinator, died, aged 65. Eight senior Tanzanian police were jailed for torturing to death two prisoners.

Chile has expelled seven West Europeans who were involved, say police, with organising a demonstration.

#### Financial Times

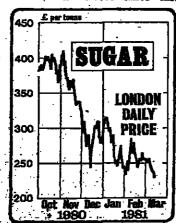
We apologise to readers in some parts of London and the Home Page 26 Counties for the shortage of supplies of the Financial Times PENTOS, the industrial hold-SOGAT members in our ware- with a £3.82m profit last year.

#### BUSINESS

## Gold off by \$12; sugar

#### firmer, at DM 4.69 (DM 4.6850) and FFr 11.0725 (FFr 11.0350), but it fell 1.05c to \$2.2180. Its trade-weighted index rose to 99.3 (98.6). Page 32

- DM 2.1150 (DM 2.1050), SwFr 1.9400 (SwFr 1.9210), and Y207.6 (Y206.75). Its trade-weighted index rose to 100.1 (99.6). Page 32
- GOLD fell \$12 to \$473.5.
- EQUITIES slid sharply. The FT 30-share index closed at the lowest level, 470.0, 14.3 down in the biggest one-day fall since June, 1979. Page 36
- GILTS responded strongly to Budget proposals. The Government Securities index gained 0.74 to 69.49. Page 36
- SUGAR's London daily price fell to its lowest since last

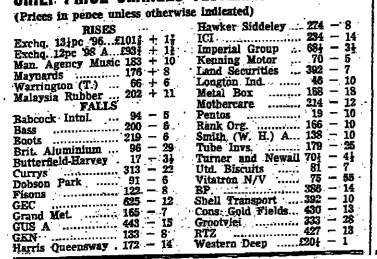


#### April, finishing at £227 (£234)

• WALL STREET was down 7.06 to 965.6 near the close.

- Police Federation chairman are being considered by leading industrialists. The lack of energy cost concessions is likely to be a major topic at the next NEDC meeting. Back Page; Budget reaction, Page 8
- COAL AID package is likely to cost the Government between £100m and £200m in the coming year, the National Coal Board said. Page 8 Hanging sentence
  - USSR and JAPAN have agreed on the export of machinery and equipment worth Y235bn (£573m) to the USSR in exchange for large deliveries of Soviet timber. Page 5
  - ZIMBABWE MINERAL production rose by almost a third to reach 415m Zimbabwe dollars (£280m) in 1980, the first year of normal trading since econmic sanction removal. Page
  - BSC has applied for planning permission to develop at a cost of up to £100m the Bilston site where more than
  - 2,000 jobs were lost Page 6 • OLIVETIT, the Italian office equipment and electronics concern, is to take majority control of Hermes Precisa International, the Swiss typewriter manufacturer. Page 30
  - COMPANIES HOUSE searches in London, normally running at up to 11,000 requests a day, have been stopped by the Civil Service strikes. Back Page
  - WILLIAM COLLINS, book publisher, turned round its 1979 £255,000 pre-tax loss to £2.05m profit on reduced turn-over of £63.74m (£65.1m).
  - SCHRODERS, banking, finance, insurance and investment group, reported an advance in after-tax profits for 1980 from £6.6m to £8.19m.
- yesterday. This was due to ing company, reported a 1980 unofficial industrial action by pre-tax loss of £2.22m compared

#### CHIEF PRICE CHANGES YESTERDAY



## Treasury Ministers plan campaign for more spending cuts

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

and a continued tight squeeze decision to increase taxes by the on public sector costs.

دارالتوم

No. 28,418

Mr. Leon Brittan, Chief Secretary to the Treasury, made documents is that, even if it is clear yesterday, both a a press conference and in a Commons speech, that public spending was "higher than we would like" and that "we shall be looking hard at the possibility

of further reductions. cussed by the Cabinet and seems certain to meet fierce resistance from spending departments, which won a partial victory last autumn in scaling down by a half the Treasury's request for £2bn cuts in 1981-52. It is clear that Treasury Ministers want to regain some of this lost ground. The Cabinet decisions last

autumn, the deeper than expected recession, and recent aid for State-owned industries have meant that the volume of spending in 1981-82 and later years is expected to be 3½ per cent more than proposed a year

The public spending and weekly from January onwards: 1982-83 and later years.

TREASURY MINISTERS are This increasingly restricted. The second part is a desire to determined to press for a new the Chancellor's freedom of limit the rise in public sector round of public spending cuts manoeuvre and led to a late costs.

amount proposed in the Budget. The implication in the Budget Reaction to Budget, Page 8 Base lending rates cut, Page 8 Cost of keeping pits open,

Commons dehate, Page 12 Public spending Page 21 Economic Viewpoint, Page 23 Lex. Back Page

possible to cut taxes in 1983 and 1984, the real burden of personal taxes will be higher by the time of the next election than when the Conservatives came to

It is to try to avoid this prospect that the search for fresh economies will be pressed

This is likely to involve a two-pronged approach during the usual review of plens this sumer and autumn. The first part will involve proposals for cuts in a wide range of specific borrowing estimates for 1981-82 spending programes to below were revised upwards almost currently planned levels in

Whitehall officials highlight the greater emphasis on cash rather than volume in planning. This is seen as a way of strengthening controls and forcing everyone involved to come to terms with the financial implications of expenditure

The result is likely to be continuing pressure to limit the rise in public sector costs and wages, in addition to specific

Before this general debate opens the Treasury will resume its long-running battle over overspending by the Ministry of Defence. This is expected to inflationary policies, was in amount to £239m in 1980-81 stark contrast to sharp falls on over and above a cash limit which had already been in-creased by £200m.

The issue will be reviewed in the early sumer. In the past there has been a general presumption that overspending in one year is offset by a reduction in the cash limit in the following year.

There is no disguising the Treasury's impatience with the Ministry of Defence's spending

## Thatcher defends Budget as Tory discontent grows

CHE Prime Minister defended from the Conservative back-

Bracet focused on the increase belief that there should have been more help for industry to Mr. Peter Tapsell, a pro-expenditure programmes, combat the worst effects of the minent backbancher and former. The Prime Minister is

as Sir Geoffrey, backed totally not win the next election had presented a "no hope" strategy while party supporters grow increasingly restive.

per gallon increase in petrol

funity to rebel on Monday night Heath's administration and the divisions in the Cabinet and place in the committee stage growing threats of rebellion of the Finance Bill after Easter. deeply disturbed at the pros

cellor's strategy while recognisin petrol tax, the decision not ing the unpopularity of some of overt move against the Chancel to upgrade personal allowances the measures, but there was lor's strategy unless, as the tax thresholds and the clear evidence of the depth of

in the autumn.

Many Conservative MPs from conflict emerged yesterday, with us for holding firm."
rural constituencies were the announcement from Mr. For all the current difficulties incensed at the scale of the 20p Patrick Jenkin, Social Services she believed the Government They could have an oppor- its introduction by Mr. Edward day was right.

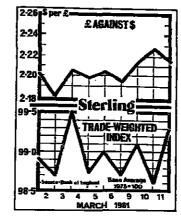
the Budget strategy of Sir at the end of the four-day decision will make the Govern-Geoffrey Howe, the Chancellor, Commons debate on the Budget, ment vulnerable to further yesterday in the face of clear but the major battle will take attack.

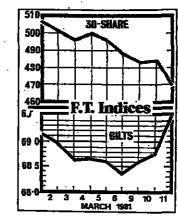
Several Cabinet ministers are om the Conservative backenches.

Other MPs claimed that the pects for the economy and for
vast majority of backbenchers the future of the Government
fully supported the Chanfollowing the Budget statement, but there is unlikely to be any Treasury is seeking, there is a further attempt to cut public

The Prime Minister fiercely junior Minister, openly called supported Sir Geoffrey when There is little doubt that the for the sacking of the Chancellor, she spoke at the Guardian Government faces the most Mr. Norman St. John-Stevas, Young Businessman Award serious crisis of morale and former leader of the Commons, Lunch in London. She rejected credibility since gaining office, said the Conservatives could the charge that the Government by Mrs. Thatcher, seeks to without a modification of Budget, and said: "It is a maintain his medium term policies. He forecast a change Budget which is the only hope for Britain, I think most people Another cause for potential know that this is so and respect

Secretary, that the £10 Christ- hadput the country in the posiand diesel fuel, and plan to mas bonus for pensioners is to tion to make a sustained and concentrate their attack on this be pegged for a further year. genuine recovery, "That is why issue. It has not been upgraded since Geoffrey Howe's Budget yester-





## Demand for gilts spurs £1 bn tap

launched a new £1bn tap stock take speedy advantage of heavy demand in the gilt-edged market after Sir Geoffrey Howe's deflationary Budget.

The strength of the gilt-edged market, which gave a general welcome to the Government's reaffirmation of its tough antiinflationary policies, was in the equity market.

Depressed by the bleak economic outlook, lack of significant Government aid for industry and news of dividend cuts from Tube Investments and Turner and Newall, the FT 30share index plunged 143 points to 470. It was the largest one-day drop since June 14, 1979, just after Sir Geoffrey's first Budget.

Sterling remained firm on foreign exchanges, buoyed by the prospect that UK interest rates will remain relatively high at least in the short term. The pound rose particularly against the French franc and other Continental currencies, but fell 1.05 cents against the dollar to close at \$2.2180.

Its trade-weighted index rose to 99.3 from 98.6 on Tuesday although this partly reflected gains made late on Tuesday

The new gilt issue, 124 per cent Exchequer 1990, will go into operation as a tap stock today. It was rushed yesterday afternoon to replace the previous lon-dated tap, 121 per cent Exchequer 1999 B. which sold out quickly at the higher price £90% per cept when the market opened in the morning. Long-dated gilt-edged prices rose up to £2 at one point yesterday in lively dealings. although gains on the day were trimmed to £11 after hours in later dealings.

Interest rate reductions continued yesterday in line with Tuesday's 2 point cut in
Minimum Lending Rate, with all f in New York the remaining leading banks reducing their base lending rates from 14 per cent to 12 per

Building society leaders meet today to consider a cut in mortgage rates, although their

THE GOVERNMENT yesterday final decision will not be made

until Friday morning.

Dealers estimated that as much as £700m to £750m of the 124 per cent long tap issue may have been sold yesterday morning. Demand was so heavy that buyers were allotted only about 25 per cent of their bids for the

The special low coupon stock for high taxpayers. 3 per cent Treasury 1986, which received only a sluggish reception when issued earlier this month, also attracted significant demand yesterday.

The new tap will give a fillip to the Government's funding programme in the cross-over from the 1980-81 to the 1981-82 financial year. The stock was issued yester-

day directly to the Bank to allow it to operate as a tap immediately. The stock was made in partly paid form with £15 per cent paid at issue. An instalment of £25 per cent will be paid on April 3 and the balance of £55 per cent is due on May 15. The issue price was £95 per

cent, at which the gross yield is 13.49 per cent and the flat yield 13.16 per cent. Large withdrawals to pay for

gilt-edged purchases, as well as heavy VAT payments to the Exchequer following the pre-Budget High Street spending spree during the last week, yesterday led to considerable tightness in the London money The Bank of England re-

acted to alleviate the squeeze from 10 to 8 per cent in the banks' .eserve asset ratio. The ratio sets the minimum level of specified assets-in-

cluding money at call and some Government and commercial debt—which banks must hold as a percentage of their liabili-

Spot | \$2.2130-2150|\$2,2035-2050 month | 0,50-0,58 pm.|0,63-0,70 pm.

## Seagram bids for mineral group

By Paul Betts and Ian Hargreaves

SEAGRAM, the world's largest distiller and wine producer, yesterday unveiled its longawaited acquisition programme with a \$2bn (£902m) bid for St. Joe Minerals Corporation, the leading U.S. lead and zinc producer with growing interests in

oil, gas, gold and coal mining. The New York-based mineral group, which has a 28 per cent interest in the North Sca Buchan field, said the unsolicited offer was "grossly inadequate." Senior management would advise the company's board

today to reject the bid. Seagram, the Canadian-based drinks group of which some 34 per cent is controlled by the Bronfman family, is making a cash offer of \$45 a share for St. Joe's 44.9m shares through Joseph Seagram and Sons, its

U.S. subsidiary. Trading in St. Joe's shares was suspended on the New York Stock Exchange earlier yesterday after closing at \$30! on Tuesday. They opened later at \$45{.

Seagram's offer puts a premium of almost \$7 on St. Joe's shares, but Wall Street analysts have forecast that St. Joe's shares would reach \$45 later this year.

Wall Street expected that St. Joe would seek a friendly coun-ter bid from a "white knight" to block the Seagram offer. The most likely candidates, in Wall Street's view, appear to be the Royal Dutch/Shell group, which has a major joint coal mining venture in the U.S. with St. Joe, and Newmont Mining, the leading U.S. gold mining concern, which has a 7 per cent interest in the mineral group.

Seagram said its offer was conditional on a minimum of 23.4m shares being tendered and not withdrawn before the offer was out on April 10. Lazard Freres, the New York investment bank, is acting as dealermanager for the offer.

Mr. Edgar Bronfman, Seagram's chairman, said his ly considered St. Joe "a solid investment opportunity. The company is superbly managed and has major underlying assets, a fine earnings record, and good growth prospects. Seagram's substantial capital position could help accelerate such growth."

Seagram last year sold the U.S. oil and gas properties of its Texas Pacific energy sub-sidiary for \$2.3bn to the Sun Company, one of the 10 largest U.S. oil companies. Seagram negotiated a record \$3bn Eurodollar loan last December.

Continued on Back Page Details, Page 29

## Two companies cut dividends

BY REG YAUGHAN

yesterday reported a sharp deterioration in second half profits and have cut their divi-

F. W. Woolworth, the retail store group which operates through over 1,000 outlets worldwide, also reported lower profits but picked up sharply in the fourth quarter alded by a price cutting campaign in the latter part of the year. TI, which has announced 8,000

redundancies since the beginning of 1980, turned in a pretax profit of just £2.5m in the second six months of 1980. This brings the year's total to £26.7m, roughly in line with stock market expectations, from

TI's dividend is slashed by Turner and Newall, the plass down at 704p.

Tube Investments and Turner 41 per cent from 25.5p to 15p, tics, automotive and Newall, two of Britain's with the final cut from 12.5p to leading industrial companies. 2.5p. The dividend decision 2.5p. The dividend decision hit TI shares hard. They had gained 8p to 204p on Tuesday on hopes of a maintained final

Tube details, Page 24 Turner and Newall details, Page 25 Woolworth results, Page 29 Lex, Back Page

dividend but quickly fell to 184p on yesterday's news of the reduction and closed 25p lower

TI sales were £1.16bn, some 6 per cent down on 1979 in real £290,000. terms. Extraordinary costs of £29.7m, mainly reflecting redundancy and closure costs of 979's £52.2m £25.4m, left a loss attributable going down from 7p to 3p. The On a current cost account to shareholders of £18.7m com- share price opened 7p lower at

£33.1m.

chemicals and construction group, recorded a pre-tax loss og £5.8m in the second half of 1980, cutting the year's profit by 77 per cent from £27.5m in 1979 to £6.4m. Without the reconsolidation of the subsidiaries in Zimbabwe, which contributed £11.2m. there would have been

a loss in 1980. The group, which has also been cutting back its operations during the year with the loss of 3,500 jobs, was particularly hard hit on the plastics and industrial materials side of the business. Here a profit of £12.2m was transformed into a loss of

Turner and Newall is cutting its dividend by 47 per cent from 11.50 to 6p, with the final ing basis the group lost pared with a 1979 profit of 68p yesterday but recovered to 74p before finishing the day 41p

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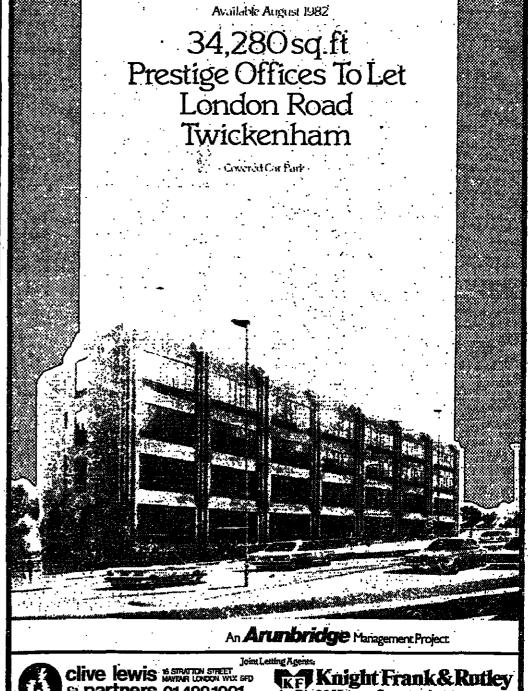
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F. W. Woohworth

Unit Trusts ......



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& partners 014991001

FRENCH

ELECTION

## Closer interest rate links considered

EEC GOVERNMENTS have bear discussions on whether to seek close recooperation with the U.S. aimed at interest rate of disarmament and stabilising on monetary techniques whose on monetary techniques whose of the U.S. A report to next and stabilising on monetary techniques whose of discussions new impetus at both. The problem loaks likely to be terests rates are forced up to official—and—ministerial level—discussed by EEC Finance Min—U.S. levels, the economic rebecause of its growing concern—isters, possibly in a closed ses—covery—anticipated—in the effects on its currency and—But there is little confidence—The Commission goes on to domestic interest rates.

Other EEC governments have—of taking any early practical lower interest rates compatible been shaken by the recent—steps, not least because the with a stable monetary policy.

been shaken by the recent steps, not least because the with a stable monetary policy, severe strains on the European Reagan Administration is un. Its main recommendation to the Monetary System which were likely to welcome initiatives. Ten members states is to work caused by the sharp turbulence from abroad when it is launch for closer co-operation on in-

The EEC's monetary commit tee—composed of bankers and Treasury officials -began a preliminary discussion this week on one practical proposal for developing this cooperation.

This aims at broadening the role of the European Monetary Co-operation Fund so that it would take over existing bilateral swap agreements which member states have with the

It is argued that much greater stability as well as policy convergence would flow from incorthe Bundesbank Federal Reserve agreements in

#### in the dollar-Deutschemark ing its from economic experiterest rates and monetary policy relationship. ment designed to achieve with the U.S. an EEC institution. Fish row threatens to complicate farm talks



Herr Erti: pressing Canadian

THE PROSPECT that the proposed EEC common fisheries linkage as a game France plays, policy could become embroiled but officials are now gently accession to the EEC ruin the European Community's encouraging the belief that at the end of next year.

annual efforts to fix guaranteed Britain will block French Meanwhile, attitudes manual efforts to fix guaranteed Britain will block French Meanwhile. annual efforts to fix guaranteed farm prices was heightened yesterday with the breakdown of talks in the Council of Fisheries Ministers.

array in the early hours of French differences over what water.

vesterday morning. This was in access to British coastal waters spite of further proposals being will become available on a angered tabled by the presidency of the Community-wide basis. Council which, after tempers had cooled, Ministers admitted had cooled. Ministers admitted a licensing system for a wide might form the basis of further area around Scotland was

Further discussion, however, 6 and 7 and, with major farm provide Britain with any price negotiations taking place preferential rights. a week earlier, there is growing The French are demanding speculation that Britain may that all Community waters out-

demands for higher prices unless France is prepared to be more compromising in the fisheries negotiations.

The remaining obstacles in After heated argument lasting the six-year struggle to a full day aid most of the night, establish a common fisheries the council broke up in disc policy are basically Anglopolicy are basically Anglo-Community-wide basis.

A Commission proposal for rejected by Britain because the licences would be granted autohas been postponed until April matically and therefore not

Normally, the British disdain on an equal basis after certain provisions in Britain's terms of accession to the EEC run out

Meanwhile, attitudes may be

clarified at the EEC heads of government summit meeting in the Netherlands on March 23 and 24. West Germany is so incensed at the delay in reaching a fishing agreement Schmidt may well raise the

The West Germans have been angered by Britain's refusal to approve the proposed EEC fisheries agreemen which provides for substantial West German fishing off New-

foundland. Herr Josef Ertl, the West German Agriculture and Fisheries Minister, early yesterday morning again attempted to win approval for the Canadian

## MEPs seek to expand funds for budget

BY WALTER ELLIS IN STRASBOURG

THE INFLUENTIAL Budget to the limit. Committee of the European budget should not be limited to authority. increases which do not exceed 1 per cent of VAT revenue.

ports. This year's budgetary resources." demands have taken spending

controversial nature, the pro-Committee of the European The suggested change would posal is unlikely to proceed Parliament has suggested firm have far-reaching effects on smoothly on to the statute guidelines for next year's EEC Community spending. It would books. When it was discussed spending, including a bid for also give much greater power to, in Parliament yesterday, several important political reforms. the Council of Ministers and to MEPs expressed reservations The committee says, among MEPs, who make up the second about the "realism" of the other things, that the 1982 arm of the EEC budgetary change. Nevertheless, there

ordination of EEC and national budgets; stricter controls on farm spending; a strengthened regional fund; and the introduction of an industrial policy designed to promote "advanced technology and the dynamically innovative industries."

able for dealing with surplus were to have visited Manila. But precisely because of its farm products: greater co- Kuala Lumpur and Singapore

#### Norwegian economy set for trouble says OECD

NORWAY HAS been weathering the world economic slow-down better than most industrialised countries, but faces problems in the year ahead, according to the latest report on the Norwegian economy published by the Organisation for European Economic Co-operation and Development (OECD).

In contrast to developments in most other member countries, unemployment has remained low, barely exceeding 1 per cent of the labour force. At the same time, the current external balance has greatly improved since 1978. mainly hecause of the rapid growth of oil and gas exports and economic growth has been higher than the OECD

average.
Inflation, however, accelerated after the end of the price-income freeze at the end of 1979 and is expected to increase to 12 per cent in the current year from 10.9 per cent in 1980. The gradual recovery fore-

seen for the OECD area as a whole in the second half of 1981 should have a positive impact on the Norwegian economy. But several factors will have a dampening infin-Norwegian exports tend to be concentrated in regional markets with below average growth (West Germany, Sweden and the UK) and the importance of the rapidly expanding OPEC markets is marginal for

Norway. The expected growth in Norway's export markets for manufactured goods is estimated by the OECD secretariat to be no more than 2 or 3 per cent in 1981, well below the probable increase of 4 per cent in total OECD trade. As a result, the secretariat is forecasting an increase in GDP of no more than 0.5 per cent in 1981, compared with 3.6 per cent in 1980 and 4.5 per cent in 1979. After the surplus of \$1bn

in Norway's current account recorded in 1980, the balance of payments is likely to swing back to equilibrium in the current year, largely due to less favourable terms of trade. • The Norwegian insurers of the capsized "botel" plat-form Alexander Kielland have agreed to try to right it again safety grounds. The platform capsized in Norway's Ekofisk tore off one of its supporting

## Polish strike threat as Government agrees to more talks

BY CHRISTOPHER BOBINSKI IN WARSAW

THE THREAT of industrial defuse the situation at Lodz, a action in the city of Radom, 50 textile centre west of Warsaw, miles south of Warsaw, cast a where a strike scheduled for shadow over the Polish today was called off after five industrial scene yesterday only Solidarity members sacked from hours after the first top level an Interior Ministry hospital in meeting between the Prime Minister, General Wojciech Jaruzelski, and Mr. Lech Walesa, head of the independent trade union Solidarity.

At the end of the meeting Mr. Walesa said General Jaruzelski had promised full scale talks soon between the national committee and implied that compromise was possible on all the points raised by the unions.

Prominent among the points

raised was the question of elleged harrassment of union officials by security officials. This is also at the heart of the new outbreak of labour unrest and a fresh strike warning in Radom. Union officials reported that four students were beaten up by four men tearing down union posters. One of the men was recognised as an alleged

member of the militia. Mr. Walesa had stressed the need for end to such practices during his talks with the Prime Minister. He raised the case of several union activists who had been beaten up or detained for questioning by plain-clothes questioning by plain-clothes thinking in the moderate wing security officers. General of the political establishment Jaruzelski agreed to set up a here, and the appearance of the committee made up of repre-sentatives from Solidarity and the Prosecutor's office to 'in-

This promise also helped to Moscow meeting.

mark's sector of the North Sea

published yesterday.
It will retain 12,000 square

kilometres in the south-west corner, which is where all oil

and gas finds have been made

The state will construct and

areas until 2012.

BY HILARY BARNES IN COPENHAGEN

today was called off after five Solidarity members sacked from Lodz were reinstated. Another committee was set up to look and union activity in Interior and Defence Ministry establishments.

Journalists' Union has called on the Soviet Union to be more subtle and understanding in its dealings with Poland if it wants to create an authentic ally in the Polish people. Writing in yesterday's Zycie Warszawy, the Warsaw daily newspaper, Mr. Stefan Bratkowski, who is also a party member; said the country must be allowed to carry out political and economic reforms. Only by permitting this would the Soviet Union gain an authentic ally "and not one which had to be watched all the time." the article said. Publication of the major article comes a week after talks

in Moscow between the Polish and Soviet leadership, which produced a communique testifying to considerable Soviet displeasure at developments in Poland.

consortium will be able to buy

New taxation rules will be

presented to Parliament in the

autumn aplying to the consor-

programme will be submitted

every three years.

exclusive N. Sea rights

requires the company to relin- back a declining proportion of

quish 99 per cent of the area the oil, from 80 per cent of it

**Mitterrand** assails into conditions of employment Giscard • The head of the Polish over jobs

> By Robert Mauthner in Paris THE FRENCH Press gave a very mixed reception yesterday to President Giscard d'Estaing's first appearance o intelevision since announcing his bid for a second seven-year term at the beginning of this month. The rival presidential candidates were, predictably, scathing. M. Francois Mitterrand, the Socialist candidate, picked on an issue which has already become one of the main subjects of debate in the campaign and on which M. Giscard is particularly vulnerable—that of rising

memployment.

Returning the President's compliment" that M. Mitter Mr. Bratkowski's views reflect rand held the world record-for presidential candidacies, the Socialist leader retorted yesterday that M. Giscard was "the world champion of unfulfilled article shows that Poland's hardliners have by no means won promises." the debate on the internal policies to be followed after the

One of the promises he referred to was certainly the Government's pledge to counter unemployment, currently running at about 1.6m. In his television interview, M. Giscard Danish group relinquishes admitted that he considered his inability to solve this problem during the seven years he has held office as one of the main

unemployment.

failures of his presidency. Clearly embarrassed by this sizeable chink in his armour, THE agreement ending the own an oil pipeline to the coast A. P. Moeller group's 50-year and gains the right to buy 40 he took the unusual step for a head of state and government of exclusive concession to Den- per cent of all oil produced. The defending his own policies by underlining the failures of alternative policies applied in a neighbouring state and EEC partner, namely Britain.

by 1986, according to details from the date the pipeline is published yesterday.

It will retain 12,000 square 1990. Both Labour Governments, which had adopted a policy of nationalisation to create employment with the result that there were now 2.5m unemployed and Mrs. Margaret Thatcher's morstarist policies. accompanied by interest rates of more than 20 per cent, came in for the President's strictures.

After predicting that, next decline again, M. Giscard said that the only solution for France was an economic policy situated somewhere between the two extremes.

What the President's own new plan to deal with the unemployment problem will be has yet to be made public, but M. Mitterrand had little difficulty in demonstrating that the measures taken so far had proved to be "dramatically insufficient."

The other issue on which President Giscard was found wanting by at least a section of the Press was his explanation of the diamonds he had received as presents from the ex-Emperor Bokassa of the Central African Republic

The influential Le Monde. one of the President's main critics over his acceptance of the diamonds, fulminated in a front-page article last night-that his reply was still madequate and had come much too late. Moreover, M. Giscard's claim that he had never been asked a straight question on the subject by journalists was completely

In his television interview, the President said the diamonds vere not very valuable and had been sold for the benefit of a number of Central African charities.

#### Pressure builds for action on Italian strikes

THE ITALIAN Government is under growing pressure from an exasperated public to move against the wave of public sector strikes, particularly those which have reduced the trans-port system to near chaos The stoppages, which reflect basically the inability of the main federated unions to control their rank-and-file, are now

a daily affair.
This week hospitals are providing emergency services only. thanks to a strike by house doctors, while magistrates are shortly to bring the country's creaking judicial system to a standstill

The biggest disruption has been in transport sector and

#### was widespread support for the A group of 18 MEPs due to principle, which stands a visit South-East Asia next strong chance of being endorsed month in connection with trade The committee's report was tium and to companies given It will also retain all finds it concessions in the areas relingenerally welcomed by Mr. writes Fay Gjester in Oslo. The Community budget is Christopher Tugendhat, the and Diesented to the Commissioner that the development of the Council. WAT receipts, plus customs Community cannot be artificially committee include: a reduction Bangkok as an economy community cannot be artificially committee include: a reduction Bangkok as an economy community cannot be artificially committee include: a reduction Bangkok as an economy community cannot be artificially committee include: a reduction community the MFPs. quished by it. has made hitherto. A. P. Moeller The Government stopped the A. P. Moeller has also agreed and its associates in the Danish first attempt last autumn on Consortium to submit to the Energy Minis-Underground (Shell, Texaco and Standard Oil try a programme of increased

## Today's rebels have neither the optimism of the late 1960s nor the brutality of the 1970s, writes Jonathan Carr in Bonn

## West Germany spawns a new generation of violent protest

student riots all over again," and idealistic fervour. None-said a worried West German theless, there are big differences government official. Most of between the movement then those present nodded in agree, and now. during the armed forces' public beremonies, and smashed preperty in cities as far apart as certain intellectual

In recent weeks For the demonstrators at the thousands of young demonstra- end of the 1960s, the sky was tors have marched against the limit. What did it matter nuclear power, fought police if the simultaneous invocation during the armed forces public of Mark. Lenin, Mao and Herbert Mareuse distance of the sound firmly believed a new and better Little wonder if many recall society was necessary and the tumultuous end of the 1960s possible, and that they could the sit-ins, the young build it.

The sit-ins, the young build it.

The sit-ins the Ho-Ho Arguably.

"IT LOOKS like the 1968 Chi Minh," the old ideological achieved their aims in 1969 when the Social Democrat-Free Democrat coalition took power mme of social reform.

Others gave up demonstrating but urged a "Long March" through the institutions of the Federal Republic to change the state from within. Still others went underground, beginning a campaign of terrorism to make the state show its true repressive rolours. That campaign reached its height in 1977, with the murder of Herr Hans Martin Schleyer, the industrialist, and other public figures.

Many of today's protestors seem to share neither the optimism of the late 1960s nor the brutality of the mid-1970s. although the seeds of future terrorist action could well be there. Their broader ambition is to act as "icebreakers" against a society they describe as." Greenland "-where human warmth is frozen out by incomprehensible and irresistible

The despair and lack of ideology are summed up in the slogan on a Berlin wall: "No power to no one." If the terrorists could fairly be compared to Dostoyevsky's "Devils" — who would throw acid in a child's face if it served their cause the new revolutionaries recall Gogol's "dead souls."

There are real issues behind the protests. The march of more than 50,000 to the site of an atomic power station in Brok-dorf, North Germany, indicated how many people are frightened and confused by the nuclear

There is also a serious shortage of reasonably-priced housing in many West German cities. Speculators have allowed homes to stand empty or have refurbished them to such lux-urious levels that families with nodest incomes cannot afford

The problem is acute in West Berlin, which has an especially high number of people who are socially weak—like students. integen workers and the agedand has combined with the problem of a party which shows signs of having held power too long. Little wonder if houses are occupied illegally and if that power station or even against nuclear energy. Indeed, the authorities vacillate. If they clear the houses, they fear they will be accused of brutality. If they do not, they fear charges

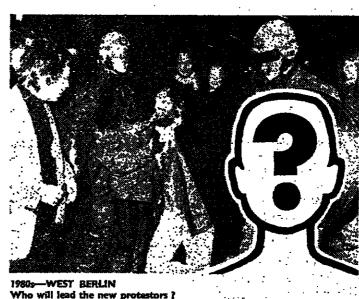


1960s-RUD! DUTSCHKE



1970s-ANDREAS BAADER





WE ONLY WANT TO LIVE IN PEACE

THROWING bricks through a bank window seems to produce the best results." said Jürgen, a student squatter in a crumbling tenement building in West Berlin's horough of Kreuzberg, together with 24 other young people

"We don't care about the world revolution or Marxist theory," noted Lena, another "occupier" at 39 Willibalt Alexis Strasse. The building was scheduled for renovation by the city before the students moved in last December

Jürgen and Lena are part of a broader protest move-ment inspired by the Berlin squatters. Young West Ger-mans in Nuremburg and Frei-

But the existence of these problems does not fully explain the extent of the protests. In one town, demonstrators rioted on the grounds that local house-occupiers had been jailed. Told that no one was in prison, they continued demonstrating, in sympathy, they said, with homeless every-On the Brokdorf march. many participants did not seem

motivated by the case against

some who observed the huge

anti-Brokdorf demonstrations

in 1976 and now feel the

burg have occupied derelict buildings and were recently removed by police, which led to increasingly ferocious fights almost nightly between the police and pro-squatter factions in the two normally placid South German cities.

In West Berlin, the student squatters now control more than 100 municipally owned buildings, while the city is attempting to legalise their tenancy by offering them

The only other tenants of Jürgen and Lena's building are a few Turkish families who continue paying rent, the students say, merely because they are afraid of being sent

may be losing ground. But Brokdorf has become a

symbol of a society whose values many young people cannot share where forces are at work they do not fully understand, and where decisions are taken they feel they cannot affect. If this analysis is corand there is much evidence for it, it implies that the frustration which found partial expression there will emerge elsewhere, if the Brok-

Why is the trouble emerging Zurich. Some suggest it may

Where were the Rudi Dutschkes and Daniel Cohn-Bendits who led the student revolt of the late 1960s? The students replied they have no leaders, and that there are no central figures and certainly no terrorists as the news-papers claim.

"It all comes from us," said Jürgen. "We don't depend on a couple of people who have read Das Kapital. In the 1960s they wanted Utoplan socialism, but we only want to live in peace.'

"But we don't want to be luiled to sleep by colour TVs and new model cars," Lena interiected. Jürgen said the goal of the

of the "Greens," the Ecologists' Party. at last October's general election. The Party. general election. The "Greens" did not even gain 2 per cent of the popular vote. let alone the 5 per cent needed

for parliamentary representa-Yet many thousands of young people had pinned hopes on that party as a possible force for change. On the other hand, this youthful outburst is not confined to the Federal Republic: similar action has taken place in Amsterdam and in normally peaceful

Others suggest that the rise

tor-occupiers, is to gain "amnesty" for two fellow squatters given 14 and 18-month sentences. They also sympathise with hunger strikers belonging to the June 2 anarchists and other guerrilla movements in the igh security wing of Moabit "We aren't ferrorists," he

said. "Just because we sup-port the prisoners' demands to be allowed contact with visitors every two weeks without a screen separating them." He explained that the occupiers belong to a broad movement ranging from anarchis radical democrats and "even Leslie Colitt

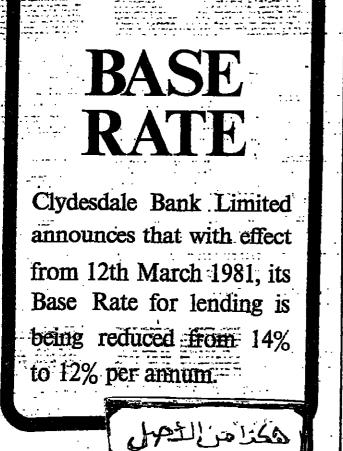
contributed to disaffection among the young. The other feeling is that young people are frustrated by the sense of their elders' powerlessness. Never before have the Federal Republic and its European neighbours seemed so vulnerable to external economic pressures.

have European Governments Bonn not least—appeared to have less room for foreign By Rupert Cornwell in Rome

tomorrow all flights by Italian aircraft will be grounded by a It is hard to see what the Government can do to make life easier for the public. Legisla-tion to curb strikes in essential services has been talked about for years, but nothing has been

policy manouvre. One thing is sure. No one has produced an explanation for the unrest, subscription rese \$355.00 per annus. Second Class posungs ped at New York, N.Y., and at additional meliting

Brussel



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#### **OVERSEAS NEWS**

## Bani-Sadr threatens to resign from **Presidency**

By Terry Povey in Tehran

PRESIDENT Bani-Sadr of Iran is threatening to resign following a week of sustained and intense attacks on him by his funda-mentalist opponents. In an article published yesterday, Mr. Bani-Sadr said that I see that I am unable to do anything, then to stay on and anything, then to stay on and take responsibility for defeat would not be right." Close aides of the President said that he had been seriously considering his position over the last few days.

Relations between Mr. Bani-Sadr and his opponents, led by the Islamic Republi-

led by the Islamic Republi-can Party which dominates both the Parliament and the Government, fell to a new low following a rally at Tehran University last

At the rally, which was addressed by the President, clashes took place between his supporters and several hundred fundamentalists. The clerical establishment has put the blame for the fighting on the President.

Mr. Bani-Sadr continued to refuse any compromise yesterday, saying: "I am going to stand firm and will not yield to injustice even if I have to step down."

In the article in the

"Islamic Revolution" newspaper, of which he is the publisher, Mr. Bani-Sadr claimed: "I am not proud to be the Presidnt of this wort of a republic." He compared the fundamentalistcontrolled mass media with that of the previous regime.

"I have done my best but my hands have been tied and I I conclude that I have no ther choice the position (of 'resident) is not one to fool myself with."

The head of Iran's Supreme Court, Ayatollah ohammed Beheshti, in a Press confernce yesterday toted that "Iran has only one leader, Ayatollah Lhomeini, and he will issue natructions which the majority of the people will accept." Ayatollah Beheshti, who is also the leader of the property of the people will accept." Ayatollah Beheshti, who is also the leader of the property of the people will accept." Islamic Republican Party, advised the President to work to create an atmosphere

of understanding. Br. Beheshti confirmed that those arrested during last Thursday's fighting had all-been released and were not to be tried. They had in fact laid charges against Mr. Bani-Sadr and "the President can he brought for trial like any other citizen if made against him," said the

O Iran's Parliament yesterday agreed to the appointment of two Ministers to fill vacancies that have existed in the Government of Premier Mohammed Ali Rajai since its formation. The two new Ministers who have both Mr. Bani-Sadr's and Mr. Rajai's approval are 29-year-old U.S.-educated Mr. Hussein Kazempour-Ardebili as Commerce Minister and 36-year-old Austrian - educated Hussein Namazi as Minister of Economics and Finance.

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## Tankers deliver despite embargo

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

AN INTENSIVE analysis of oppose oil sales to South Africa:

The analysis identifies 23 says that of these 23 tankers, no Antilles. less than 12 were owned or The r chartered by Shell largely sailing from non-OPEC countries.

movements of the world's tanker
fleet indicates how South Africa
has circumvented a two-yearold embargo by members of the
Organisation of Petroleum
Exporting Countries.

Oppuse in sates to South Africa
https://docs.org.com/processor/
https://docs.org.c

Five of the 23 tankers sailed tankers most likely to have to South Africa from Brunei, delivered crude oil to South for whose foreign policy Britain Africa" during 1979 and the is responsible. The other three first quarter of 1980. The report sailed from the Netherlands

The report estimates that these tankers could have supplied South Africa with nearly It also says that 15 of the 5m tons, or 25 per cent of its oil calls by tankers to South Africa investigate the statements. Shell tankers sailed to South Africa needs during the 15 months in the 15-month period. It says yesterday insisted that it redirect from countries which involved. In most cases, the that a "fair proportion" of spected destination embargoes

report relies on the tanker's these calls will have been for routing, in that this visit to repairs, bunkers or other sup-South Africa took the tankers thousands of miles off direct route from prior country to sub-sequent country." In a number of cases owners

or managing companies have acknowledged deliveries to deliveries to South Africa.

in Amsterdam, a foundation set up a year ago by the Dutch anti-apartheid groups. The report lists 127 other

**New Cabinet chosen** 

gating the information. Saudi Arabia had said that carriers are The report was prepared by required to certify later that the Shipping Research Bureau oil shipments reach the stated Iraq and Indonesia had con-tested details of the report

plies but that any one of these

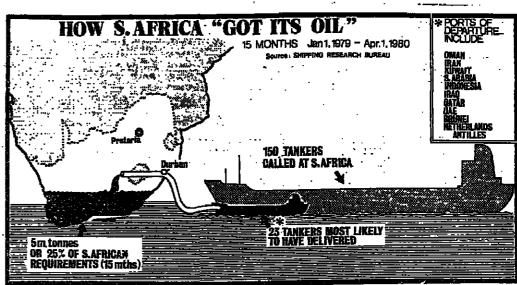
tankers could have been deliver-

ing oil to South Africa.
In New York the UN Centre

of Apartheid reported that

Kuwait had said it is investi-

while Oman had said it would



## General Prem takes a second bite at the government of Thailand

BY DAYID BUTLER IN BANGKOK

thien, a leading member of the SAP, are likely to be

economic spokesman is likely

to be Mr. Sommai Hoontrakul.

He has been Finance Minister

in two previous Governments.

havan, closely involved in the messy inter-party dispute over oil policy that led to the collapse of the Government,

remains Industry Minister.

Air Chief Marshal Siddhi

Savetsila remains Foreign

Maj. Gen. Chatichai Choop-

The Government's

maintainéd.

A YEAR ago today, Gen. Prem Tinsulanonda became Prime Minister of Thalland and announced his first cabinet. Last night, after two weeks of virtual Government standstill after a bitter wrangle over oil imports between two coalition parties, Gen. Prem named his second Government.

The problems the new team faces are formidable. But the international lending institutions: the business community and the non-political upper reaches of the Government seem to agree they are more manageable now than they were

Thailand's impressive growth of 7 to 8 per cent a year over the past 20 years rests on the resourcefulness of its farmers. The country is often the world's top rice exporter, falling behind the United States only at times of severe drought, as in mid-1979 to early 1980. Maize and highly trainable. tapioca for animal feed have become major foreign currency



problems loomed large. Some or less). earners in recent years. Thai are endemic. Years of neglect land is also a major exporter of the countryside, especially

at or below the World Bank's ment reacted to the 1973/1974 increased corporate taxes and Most important, the Governmeasurement for absolute pov- oil price increases with income tax on high-income But a year ago the economic erty (an annual income of \$150 additional subsidies, and present earners, while lowering income

GEN. PREM TINSULANOND.

Thailand's Prime Minister,

yesterday appointed a new Cabinet including a large

number of businessmen and

technocrats. Members of the

Social Action Party (SAP).

the largest party in the Thai Government, have been excluded from the new

But Gen. Prem has carefully prevented parties opposing the SAP—particularly the

Thei Nation Party—from increasing their power. Most importantly, the economic

policies of the former Finance

But the biggest single price. problem has been public As recently as last September, the politically dangerous gap of tin, rubber, textiles, sugar the north and north-east, have unwillingness to pay world the World Bank and the Governbetween rich and poor.

doubled, and increases in rail, 1973. But there is no likely and frozen shrimps. The work-left a fourth of the 45m That's prices for energy. The Government's own National Economic With the co-operation of road transport and water rates successor to Gen Prem in sight.

and Social Development Board the weather and of private are imminent. balance-of-trade and current by 24.4 per cent over 1979. A an estimated 17 trillion account trends. The trade surplus of over Baht 10bn in (million million) cabic feet of deficit for 1980 was Baht 58bn services and transfers, combined (£1.3bn), up 23 per cent from with net capital inflows towards 1979, a shortfall which virtually both public and private sectors on shore. The gas will be used as matched what Theilend naid for the Pakt Follow was the effect full and feedstock for ferti-

products. Government had enacted or

resource management. It serves producers must set aside 30 per the additional goal of stemming the seasonal flow of poor farmers to Bangkok.

 In May, the Government governments are paying the taxes for low and middle income earners in an effort to narrow

drew up alarming reports on industry, exports for 1980 rose matched what Thailand paid for of Baht 50bn more than offset fuel and feedstock for fertiimported oil and petroleum the current account deficit and

were leaked to the Press, the Last autumn the Governalong with the exploitation of ment lifted price controls on all lignite and possibly oil-shale, drawn up several major reforms: but six of the 36 basic com-A seasonal job creation pro- modities it had previously con-A seasonal job creation promodities it had previously conhydroelectric - power, may
gramme was rushed into being trolled. In exchange for the
tring Thailand close to energy
to channel funds directly to the freedom to set their own self-sufficiency by the end of poorest provinces for low-prices on such brand-name technology, labour-intensive pro- commodities as toothpaste, 198 jects, especially in water detergents and canned milk,

cent of their production capacity

for the same products, labelled

Zin Thai and sold at controlled

• Most important, the Government effected frequent, rela-former Finance Minister, now tively gradual increases in petrol and electricity prices. On only serve to add to the sense of instability that has affected March 1, the basic bus fare was all governments here since doubled, and increases in rail, 1973. But there is no likely

By October, 1981, the first of lizer and petrochemical indus-Long before the two reports Baht 5.2bn.

gave a payments surplus of tries in an industrial growth zone along the eastern seavere leaked to the Page Abs as well as some increase in

> Nothing in the new cabinet's make-up suggests it would want to reverse the gains of General Prem's first govern-Social Action Party of Mr. finds itself in opposition can

> its fifth five-year plan, in late

## Golan annexation Bill is rejected

BY DAVID LENNON IN TEL AVIV

rejected a private-members Bill not right for such a move.

The Golan annexation Bill ported the Golan Bill, including ment with Egypt. Mr. Ariel Sharon, the Agricul-ture Minister, while 45 voted against, five abstained, and 56

members were absent. Public opinion polls in Israel showed that 75 per cent of the people favour annexation of the Golan and all the main parties in the Knesset also support extending Israeli law to the Heights, which loom over the northern part of Israel, but

ISRAEL'S KNESSET yesterday most feel that the timing is

calling for annexation of the Israel has built 27 settlements occupied Golan Heights, capon the Golan Heights and three tured from Syria in 1967. Both more are under construction. the Government and the main To all intents and purposes the Opposition parties rejected the Golan is already a part of Israel, Bill because they felt it would with a Jewish population of arouse international condem- 7,000, compared with 13,000 Arab residents.

was tabled by the Tehiya Party of Mrs. Geula Cohen, the Rightwinger whose Jerusalem annexation Bill caused an international uproar after it was The settlers want this de national uproar after it was removal of their villages, as passed by the Knesset last happened to the Sinai settle-summer. Only 14 members supments under the peace agree-

Government Begin intends to spend a record Sh150m (£8m) in the next three months on expanding Jewish settlement on the occupied West

A special budget has been allocated for this last minute settlement drive in advance of the elections, which the Gov-ernment fears it will lose to the



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business in Brussels, make it your business to fly Sabena. belgian world airlines Direct flights from Man/Brussels.Weekdays 8.55am.

#### South Africa black unions win pay rise By Quentin Peel in Johannesburg

SOME 500,000 workers in South Africa's steel and engineering industry have been awarded substantial pay increases in the first-ever formal industrial pay negotiaions in the country involving black trade unions. The award provides for signi-

ficantly larger increases for the 400,900 unskilled and semi-skilled black workers in the industry, then for the highest-paid white workers. It has also been made two months earlier than normal because of concorn over the rapid increase in the cost of living and its effects on rising black militancy. Increases ranging from 15 per cent on basic rates for skilled workers, to 22 per cent

for unskilled workers, were announced by the industrial council for the steel and engineering industry, the largest in South Africa's manufacturing sector. The deal will come into effect from May 1 rather than July 1 as in previous years. Although four black trade unions took part in the negotiashall be flying direct from

tions for the first time since being registered by the Government under its new labour dispensation, one leading black union was excluded. The Metal and Allied Workers' Union has refused to accept its registration, because it is restricted to black members only, whereas the union wants to have a multiracial constitution.

Participants in the talks said that the black unions did not have a major formal impact on the negotiations, but the awareness of rising black union membership and militancy almost certainly influenced the out-

negotiations brought forward at the joint

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## Opposition builds up \_\_ The U.S. is attaching much higher priority to "security assistance," writes David Buchan in Washington to scheme for making jobless work

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

ONE OF the most controversial week. They would be employed some welfare recipients should be obliged to work in public service jobs to qualify for benefits.

This so-called "workfare" approach has long been advocated by conservatives and Mr. Reagan introduced such a pro-vision while Governor of California. It has since been dis-continued by Governor Jerry Brown.

In the Administration's opinion, such a policy eliminates welfare fraud and gives, in the words of one official, "valuable training and a sense of self-

Mr. David Stockman, the Budget Director, estimated on Tuesday that as many as 800,000 welfare recipients, mostly mothers with dependant children, could be placed in public service em- House of Representatives subployment for up to 20 hours a committee hearing.

elements in the Reagan budget as school road crossing guards, is the President's proposal that do day-care centre work and the About 10m people receive

vehemently attacked.

## Washington talks for

GENERAL ROBERTA VIOLA. posed as a sign of disapproval Who will take over as President of Argentina from General Jorge Rafael Videla on March 29, is to hold informal talks in Washington next week with President Reagan and Mr. Alerander Haig, U.S. Secretary of

sign that the Reagan Administration is fostering much closerelations with the military regimes of South America Carter's human rights policies. Recently the new Administration sent a military envoy. General Vernon Walters, on a tour of South America to evplain U.S. policy on FI Salvador General Walters' itinerary included visits to Chile Argan. tina and Brazil. President Reagan has also lifted a ban or

Import-Fyport Rank financian for exports to Chile and allowed the Chilean-Navy to join U.S. exercises. Gen. Viola is likely to urge

President Reagan and Mr. Haig to lift President Carter's ban on arms sales to Argentina, im-

benefits at present under the \$11bn programme for aid to

dren. Most of the 7m children who receive benefits would be exempt from the workfare provision, as would the elderly, the infirm, those already in work but whose wages are so low they still get welfare and thos mothers for whom childcare facilities cannot be arranged. Congress has already shown itself to be unimpressed with some of the Reagan proposals that appear to bear most heavily on the poor. Republicans and Democrats alike on Tuesday

same time promoting military equipment sales. The plain fact is that security planned cuts in the free school assistance, in the Reagan lunch programme during a Administration's eyes, has as much to do with national security as the Pentagon budget itself, and thus is equally eligible for an increase.

Arms sales and security assistance should not be regarded either as a stop-gap political gesture or as "unmitigated evil with the U.S. cast as a worldwide arms merchants", a senior State Department official said this week, referring to President official said this week, referring to President Carter's nitimately vain efforts to scale down U.S. arms sales.

deter its enemies.

Security assistance

strategic economic aid.

levels and a 26 per cent rise in

Bank, for instance, to see Mr.

Reagan at the same time paring

next year's U.S. contribution to

its soft loan development

agency. It annoys the Export-

Import Bank to see Mr. Reagan slashing government support

for export credits, but at the

Ronald Reagan's 1981/82 budget plan—completed this week and recipients of increased U.S. security aid is largely predictable. The lion's share of Middle East, and indeed overall, aid now before Congress—is that the U.S. Administration intends continues to go to Israel and Egypt, with the two signers of the Camp David treaty due to to re-instate military aid and weapons as a diplomatic tool to help America's friends and get \$2.3bn in foreign military sales credits, and \$1.6bn in

military and economic aid granted for purely foreign economic support. But the fact that Jordan would get no increase in its U.S. aid, and aid policy and strategic purposes— would rise under the Reagan for Syria has been cut out altogether, is another sign there plan to \$6.8bn, a 33 per cent rise in military aid over current will be no speedy Reagan initiative to enlarge the Camp David process Turkey gets more because of It is galling for the World

its key position in the Atlantic Alliance, Tunisia because of threatening Libya next door, and Sudan for pursuing a mod-erate and pro-Sadat line. More significant are the big increases for Kenya, Oman and Somalia, which last year signed agreements giving the U.S. occasional

THE ADMINISTRATION told

Congress yesterday that it

had gone as far as possible in

adjusting and stretching out

payments to multilateral

development agencies such as

the World Bank to get maxi-

mum savings in the 1981-82

U.S. federal budget, our

"Further adjustments would

Correspondent

of course, El Salvador stands to get a total of \$66m in military and economic aid next year, Congress discouraged from further cuts be unwarranted and could seriously damage overaft U.S. interest." Mr. Tim McNamar. deputy Treasury Secretary, told the House of Representa-

To improve those facilities

Indian Ocean region, Mr. Reagan has added \$100m to the

Carter budget. He now pro-

poses construction spending in

Egypt of \$106m, \$26m in Kenya, \$78.5m in Oman, \$24m in

Somalia, plus \$237.7m on Diego

Garcia, the Indian Ocean island

The other focal point of the

new security assistance package

is the Caribbean and, of course,

Central America. A number of

small island nations of the East-

ern Caribbean which get no U.S. military aid now would receive

a total between them of \$25.5m

in 1981-82. This seems in line

with Mr. Reagan's stress on the

need to keep Castroism at bay in America's backyard, while

leased from Britain.

stration is worried that if Congress were to increase its planned cuts, it would provoke an international row. Administration has

tives' Banking Committee.

Foreign aid is unpopular with many on Capitol Hill and in

Government, But the Admini-

budget authority in the current and 1981-82 fiscal \$1.4bn,

MAIN RECIPIENTS OF MILITARY

CREDITS

\* (Feb. 1981)

compared with \$25m this year.

plans new steps in not only the

size and estimation of security

aid, but also in its nature. The

foreign military sales credits,

supposedly at a subsidised level,

have none the less skyrocketed.

Propose. 1981-82

Mr. McNamar was clearly anxious, however, that Congress should not prove a sorcerer's apprentice on foreign aid. He urged strang support for remaining U.S. commitments to the World Bank and to the Inter-American, African and Asian

U.S. did not take part in the World Bank capital increase, its voting share would drop from 20 per cent to 10 per cent, losing the U.S. its veto over rule changes. The bank lent most to friendly countries, he said, and seven of the top 10 IDA recipients were on the periphery of the Indian Ocean and had been subject to Moscow's efforts to

rate, U.S. officials say, and are

So the Administration is pro-

posing it make as much as \$982m in such credits in the

reduced rate.

cure military equipment

Reagan turns military aid into a weapon of diplomacy beyond the reach of some U.S. critical weapons systems.

Mo

Certainly, slowness of de-livery by the U.S. is a standard complaint of its customers: for instance, Saudi Arabia's first F-15 Jet fighters will be de-livered only this year, although the sale was approved three years ago. A convenient, bookkeeping side effect of such a fund is that at its start it would give the Reagan Administration

some extra cash on hand.

system in such credits in the coming year available at interest rates which, officials say, could be as low as 3 per cent. Such a concession would be given to countries which are hard pressed financially but are in key areas: like Turkey, whose \$400m in foreign military sales credits would be mostly at the The Administration wants to credits would be mostly at the have \$250m in economic aid and \$100m in military aid united to Another planned innovation is the Defence Department's any country or programme and reserved for emergencies. This ompared with \$25m this year. "revolving" arms-buying fund, The Reagan Administration into which foreign customers seems a means of avoiding congressional control. It is. But the Administration denies these would all pay, and out of which U.S. arms contractors would later be paid. This, the would be "slush funds" for use at the whim and pleasure of Administration says, would pro-Mr. Alexander Haig, the Secre-fary of State. Officials reject the possibility that this money could be used to provide arms for Afghan rebels—as President. Reagan hinted he wanted to do. They said it could only go to

> But there are already mutterings in Congress about the "special requirements funds," as the State Department calls them. The Administration may argue that getting emergency. aid through Congress is cumber some and slow, when often the size of a U.S. contribution is less important than its speedy provision. But this is the one aspect of the 1981-82 security aid budget which the securityminded congress will chew over thoroughly.

## new Argentine leader

of the regime's human rights record. The U.S. has also been press ing Argentina to sign the nuclear non-proliferation treaty, but Argentina has argued that to do so would hamper its ambitious nuclear power pro-General Viola's visit is another

The American-sponsired embargo on grain shipments to the Soviet Union may also be discussed. Argentina was the only BRITAIN yesterday signed the the territory since 1857 and week after the Belize and
major grain-exporting country outlines of an agreement to give Britain has 1,600 troops in Gustemala representatives have
which refused to him the effect of their governments.

Belize to protect it. These reported to their governments. imposed after the invasion of Afghanistan and its exports to the Soviet Union have risen considerably.

Despite Argentina's refusal to join the grain embargo, and its recent agreement to import enriched uranium from the Soviet Union, the military regime takes a strongly anti-Communist line.

If Gen. Viola, who is reputed to be more liberal than his preessor, makes some gesture on human rights, closer rela-tions with Washington are likely to follow.

## Guatemala signs Belize pact

Washington

Lord

BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

colony of Belize in Central America. Lord Carrington, the Foreign Secretary, told the year. Commons Foreign Affairs Committee he has signed the "heads hoped the treaty would provide. of agreement" of a treaty to be negotiated over the next few

The other signatories of the treaty were Mr. George Price, Prime Minister of Belize, and Senor Castillo Valdez, Foreign Minister of Guatemala. Guatemala has claimed most of ment will be published next

include - infantry units and Harrier, Puma and Gazelle air- British concerns during his craft and cost Britain £26m per recent trip to Washington,

an "honourable settlement" of the long-standing dispute with Guatemala. In November the United Nations General Assembly voted by 139 to nil that Belize, the former British Honduras, should be allowed independence this year.

Details of the heads of agree-

Lord Carrington which has considerable influin Guatemala. Shortly after this trip President Lucas Garcia of Guatemala said it would be "sterile" to oppose a power such as Britain on the

Agreement is expected lead to the withdrawal of British forces over the following 18 months, although Britain may leave security advisers

## Trudeau backs regional accord

expand its influence.

BY VICTOR MACKIE IN OTTAWA-

PRESIDENT Reagan has per- Canadian or Mexican resources: automobile pact between the maded Mr. Pierre Trudeau, the Canadian Prime Minister. to accept the idea of a north American accord involving regular summit meetings beween their Governments and, perhaps, that of Mexico.

Mr. Mark MacGuigan, Canada's Minister of External Affairs, said an excellent rapport was established between the President and the Prime Minister at their first meeting.

Mr. MacGuigan said the President had made it clear that when he spoke of a north American accord he did not

two-day visit to Canada, which his ended yesterday, when a demonstration was staged on the lawn of Parliament Buildings during of the Canadian Parliament, Mr. the welcoming ceremonies. The Reagan emphasised that, if the the welcoming ceremonies. The demonstrators chanted: "Stop acid rain " and "Get out of El Salvador." sometimes drowning the words of the President

Mr. MacGuigan said be was absolutely delighted " with the way the talks had developed but aerospace defence command conceded that no solutions had been found to bilateral issues such as conservation of east coast fish stocks, cross-border for citizens who worked in both have in mind any raid on industrial pollution and the nations.

The only sour note came on two countries. The Minister the first day of Mr. Reagan's said the President had offered "best efforts" to try to resolve differences In a speech to a joint session.

> U.S. regained its economic trading partner, would benefit. The President reported that he and Mr. Trudeau had agreed to renew the North American

agreement for five years. They

ment on social security benefits

had also concluded an agree

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## Moscow agrees on co-operation with Tokyo

BY DAYID SATTER IN MOSCOW

have agreed on the export of machinery and equipment worth Japanese Y235bn (£513m) to the Soviet Union in exchange for large deliveries of Soviet timber. of timber over 1975-79.

In the first major joint cooperation project to be agreed between the two since the invasion of Afghanistan, the Soviet Union is to receive Japanese credits to purchase modern equipment for the development of Siberian natural

The Japanese credits, including a credit of up to Y200bu from the Japanese Export-Import Bank, will be drawn over six years from 1981 to 1986 and repaid with deliveries of 30.25m cubic metres of Soviet timber.

The agreement on timber deliveries is the third such agreement to be reached between the two countries since 1968, but it is the largest. since such agreements which In 1968, Japan supplied require the agreement of both

\$130m in machinery and \$30m in consumer goods in exchange for 7.5bn cubic metres of Soviet timber and in 1971, the long-term vehicle for increasing Japanese contracted for trade.

THE SOVIET UNION and Japan deliveries of 12.7m cubic metres of timber waste, to be delivered over 1971-81.

In 1974, they agreed to take on a further 17.5m cubic metres Mr. Ryoichi Kawai, the head of KS Industries, a group of

timber purchasing companies, who headed the Japanese delegation to the signing in Moscow this week, said that the agreement was possible because of an easing in the international Negotiations for the timber agreement had originally been

broken off because of the invasion of Afghanistan. Negotiations for the first deliveries under the six-year agreement could begin within

two months

The new timber agreement is the eighth joint co-operation agreement to be signed between the Soviet Union and Japan governments and normally involve Japanese Export-Import financing, were initiated as a

## Italy's deficit with Russia prompts push for exports

BY RUPERT CORNWELL IN ROME

ITALY is hoping for a substan- the imbalance lies in higher which began here last night.

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The Soviet team is headed by Trade. The talks represent the first official resumption of top economic discussions between Rome and Moscow since the breakdown in East-West relations with the Russian

invasion of Afghanistan. The prime Italian concern is to secure a major reduction in its trade deficit with the Soviet Union. In the first 11 months of 1980, the surplus in favour of Moscow jumped to L1.4 trillion (million million) or £637m, from L637bn (£280m) in the same period of 1979, due, above

The best prospect for righting scheme.

tial boost in its trade with the Italian exports. These are, in Soviet Union following the part conditional on agreement meeting of the Joint Commission smoother financing arrangesion on Economic Relations ments. But it is not clear between the two countries, whether a new \$1bn export credit line will be opened to replace the exhausted \$650m Mr. Nicolai Komarov, First facility of 1977 as was once con-Deputy Minister for Foreign sidered, or whether Rome will sidered, or whether Rome will opt to speed up credits, but on a case-by-case basis.

> The Russians are likely to dangle the bait of a large Italian participation in the pipeline project, that would link Siberian gas fields with Western Europe. Saipem, the pipeline subsidiary of the state-owned ENI energy agency, is widely seen as a prime candidate for construction orders for the

But although Russian gas would be a welcome addition to all to the sharp increase in the Italian energy supplies in the cost of Soviet energy experts to 1990s, considerable political Italy.

## Saudi Arabia to supply more oil to Sri Lanka

SAUDI ARABIA has agreed to supply Sri Lanka with an additional 270,000 tonnes of crude oil this year. It had crude oil this year. earlier contracted to sell 250,000

With Iran and Iraq, Sri Lanka's other main suppliers, unable to guarantee supplies, the Saudi Arabian commitment allow the government to postpone its decision to intro-duce petrol rationing. Coupons were distributed to 200,000 pri-

vate vehicle owners in January.
This year's fuel import bill is expected to exceed Rpc 10bn (£270m), which is about 42 per

cent of the estimated export earnings. It is still not known whether Saudi Arabia will agree to concessional terms on the new contract.

Iraq gave a rebate amount ing to \$7m on last year's sup plies. Concessional terms on oil supplies and Saudi loans for President Jayewardene visits Saudi Arabia later this month. The President will be the first Sri Lankan leader to visit Saudi Arabia. The invitation came from Sheikh Yamani, Oil Minister, who was President

Jayewardene's guest

Hong Kong toys move

French decision to stop imports

these Hong Kong toy imports, but it found it was by-passed through other Common Market countries which freely im-ported the toys and exported Hong Kong officials say that totalled HK\$129m.
despite repeated representa-

"adamantly refused to remove Hong Kong's view under the general on tariffs and trade."

Hong Kong is reportedly the world's biggest toy exporting nearly exporting nearly HK (£512m) worth in 1980. exports to France last

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## China may not make sweeping cancellations in European projects

BY OUR BONN CORRESPONDENT

CHINA'S PLANS to cancel or suspend major European projects may not be as sweeping as expected originally, according to a number of West companies doing business with Peking.

After lengthy talks with Chinese negotiators, German businessmen ean detect a

pattern to the wave of cancellations and stoppages—and believe that there is a glimmer

been given assurances by the Chinese that its DM 440m (£95.6m) contract for a continuous pipe production plant at Baoshan will not be affected by the cuts,

Mannesmann Demag re-ported yesterday that it hasstressed yesterday that work

Zimmer, a subsidiary of Davy International, has also said that there is a possibility that China will withdraw its request to cancel a DM 400m polyester plant. And Lurgi, while not going that far,

was continuing on the three projects that China wants to

Earlier this month, China announced that its 1981 oil production target had been cut from 106m tonnes to 100m tonnes to 100m tonnes that if all China's planned petrochemical projects go on stream over the next three years, Peking would have to become a major importer of

crude, thrusting China deeper into-deficit. Thus, the one German project to get the go-ahead is the smann Demag pipe

plant—intended to

seamless steel pipes.

The suspended Lurgi contracts all involve heavy input of oil

The Zimmer polyester plans contract also involves strong is some 80 per cent complete, cancellation would cost the Chinese a great deal in

Roger Boyes reports on the anxiety surrounding Bonn's increasing economic woes

## West Germany buckles as Japan challenge grows

economic miracle, is beginning to buckle. Unemployment is at a five-

year high, the trade deficit is the worst in 20 years, and the Deutsche mark looks anaemic. The economic woes for the man in the street were not salved by Count Otto Lambsdorff, the Economic Minister, who, on his return from a recent trip to Japan, urged the unions to drop talk of introducing pro-

tectionist barriers against lapanese cars. Instead, he said, the Germans should increase the productivity to the Japanese level and work

harder. Count Lambsdorff's remarks prompted a chorus of anguish from the unions, from the Social Democratic Party and the fasteners media. He touched a sensitive strengths

WEST GERMANY'S economy, nerve, for it was, after all, a dominated by the Japanese, spoiled by the era of the German who coined the term. One side effect to the del German who coined the term protestant work ethic." Yet the figures are all on Count Lambsdorff's side.

A Japanese car worker puts in 1,966 hours a year, takes 20 days' annual holiday and costs his employer DM 15.08 (£3.70) per hour. A German car worker by contrast works 1,656 hours a year, takes 26 days' annual holiday and costs DM 24.86 (£5.50) an hour. The Japanese "challenge"

has been the subject of three anxious television documentaries in recent weeks. These showed that many

areas where Germany was a traditional world feader had fallen to the Japanese. Optics, electronics, cameras, watches, motor cycles and even zip fasteners were all German which are all

One side effect to the debate that emotional German reaction to the Japanese chalthe lower end of the market capacity and now has only 50 lenge is seen by some as constituting the best possible advertisement for Japanese products, causing consumers to jump on to a buy-Japanese bandwagon—on the basis of cheaper price and comparable efficiency.

One compelling feature of the Japanese success is the manner in which Japanese pro-ducers have attacked ducers have attacked specialised niches of the German market and then spread their interests.

Here are some examples: • Motor cycles: Japan's market share in Germany has risen from around 50 to 80 per cent over the last 10 years. In the 1960s, a change in German law banned category four licence forced to accept painful re-domination......

concentrate on high-ered machines. The and powered Japanese moved in.

 Consumer electronies: The Japanese have gained some 50 per cent of the German hi-fi market—once the stronghold of established companies such as Grundig-and are set to dominate the future growth markets such as video recorders. Japanese share of the German colour television market has been kept down to 10 per cent -against 6 per cent in 1979but only because of explicit agreements reached with the

• Cutlery: Because of a Japan export offensive in the 1980s, camera market is facing great Germany's cutlery industry was

companies employing a total

 Ball-bearings: The industry has been particularly hard-hit by Japanese competition and is pressing again for anti-dumping investigations to be launched against Japan, as they were four years ago. Company executives point out that Japanese imports of ball-bearings jumped by over 20 per cent in the first half of 1980, yet overall sales had increased by only 8 per cent. • The optics industry: This has been coping well at the pre-

cision and specialist glass end of the market, but the mass problems against Japanese

holders from riding motorcycles structuring. Once among the Motor cars: Japanese car sales of over 50cc. This prompted Gerworld leaders, the industry has in Germany rose by some twoman manufacturers to abandon shrunk to a fifth of its 1960s thirds last year, capturing 10 per cent of the German market, partly at the expense of other importers but also increasingly German producers.

A recent Economics Ministry policy paper identified areas where Bonn could help to counter Japan's export wave.

The Government, while avoiding any form of protectionism, must stimulate German exporters by removing tax obstacles to high investment; by prodding companies into higher research and development spending; by building up the German Far East Institute and by establishing German chambers of commerce in Japan which could act as business brokers between Japanese and



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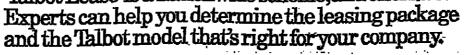
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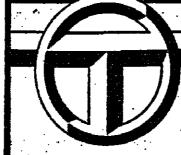


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ON THE MOVE.

## BL plans to hang on' in U.S. despite setbacks

By Kenneth Gooding, Motor

BL is determined to hang on in the U.S. market in spite of major setbacks there last year, according to Mr. Ray Horrocks, managing director of the cars division.

But BL cannot expect any significant recovery before the mid-1980s when a new Jaguar

saloon will be launched. In 1980 BL's car sales in the U.S. fell 24 per cent from 42,508 to 32,179.

This year the fall will be just as great because the MG range, which accounted for 13.730 of last year's total (down from 26.027 the pre-river year), has been phased. vious year), has been phased

BL heavily discounted MGs and its TR7s and TR8s last year. This helped push TR sales to 14,939 from 12,733. But it was unprofitable business because of the high value of the pound compared with the

The group's attempt to add a new model to the U.S. range, a version of the Rover 3.5. introduced in June last year, mists. Sales were 481 by the year-end and there is a question mark over the Rover's future in the U.S.

The difficulty BL faced was that to make a profit it had to charge \$16,000 for the Rover a high price by U.S.

Jaguar sales, after a poor start last year, ended at 3,029 compared with 3,748.

Mr. Horrocks suggests BL can retain about two-thirds of its dealer network in the U.S. The number of dealers fell from around 430 to 371 last year. However, as only 88 of the remaining outlets deal exclusively with BL products, the estimate appears reasonable.

Last month the BL board in the new Jaguar saloon, code-named the XJ40, which will replace the XJ6, the model accounting for about 2,500 a year of BL's U.S. sales.

The group earlier approved a £25m programme for a new lightweight engine "family" of 2.2 and 2.8 litres to power the Jaguars.

The engines are likely to be launched earlier than the new saloon, which is scheduled for unveiling in 1984.

aging results, a diesel engine supplied by VM of Italy for

the current Jaguars. BL does not have the resources to include a sports car in its future model line-up but this gap might be filled by some kind of joint project.

## Arms deal could bring £175m

BY MICHAEL DONNE, DEFENCE CORRESPONDENT

Capability heavyweight torpedo for service from the mid-1980s. Tough competition has devel-oped between UK and U.S. con-or about £175m of the total tractors for this contract to £500m value of the overall con-

It could amount eventually to more than £500m of business for UK industry from the Royal

The contenders are Marconi Space and Defence Systems in the UK and Ocean Systems Division of Gould of the U.S., a major contractor to the U.S. Navy, especially on the Mark 48 which is now in service.
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**Orders 'rising** 

in North-West'

ANOTHER industrial region.

the North West, has reported

signs that the recession may

be easing. This follows a similar report last week from the West Midlands.

A Confederation of British

Industry survey of 55 com-panies in the North West showed a slight improvement

in orders. Companies are also

planning a limited increase in

investment in the next 12

But company liquidity is still

"It's the first time for several

months that the total order

trend has not been downward," said Mr. Andrew Toop, the

CBI's North West regional

low and de-stocking is continu-

ing, although at a lesser rate.

months.

By James McDonald

BUSINESS worth at least £175m and U.S. governments, a processing could accrue to the UK if the Defence Ministry decides to buy the U.S. Mark 48 Advanced it opt for the U.S. weapon. It opt for the U.S. weapon. Gould would work with Mar-

would farm out work to other

The Defence Ministry has

been studying the contenders'

be held tomorrow to consider

and has set up an underwater

all aspects of the venture.

Gould would work with Marconi on the Mark 48 if the This would guarantee the UK U.S. company won the contract, but if Marconi did not like this, Gould would be ready to set up its own production facilities meet Navy Staff Requirement tract. It could result in much These could be in the Liver-pool or Glasgow areas, places of high unemployment. Gould

The 35 per cent would be concentrated on work associated with the torpedo. The rest would cover any additional work done in the UK, as well as work on a wide range of other underproposals for some weeks. Another briefing session is to water weapons activities.

Gould recently awarded con-(£450,450) to the UK Dowty Group and is discussing with more than 15 other UK comunderstanding between the UK panies electronics, hydraulics, weapons factory in the Liver

It is developing the lightweight Stingray torpedo for the Navy. Part of the Gould offset offer is that it would help Marconi sell the Stingray to the U.S. Navy which needs a light-weight weapon. This would be beneficial as Honeywell of the U.S. is a big competitor in the

lightweight field. Among the offset work would be work on existing versions of the torpedo for the U.S. Navy and on sales of it to third coun-

Gould is impressed with the industrial capabilities of UK underwater weapons companies and would like to work with them through the 1980s and Marconi has offered a new design of heavyweight torpedo.

#### Minister urges better training

THERE HAD been a "crying need, for many years, for improved management training," said Mr. Adam Butler, Minister of State for Northern Ireland, at a meeting of the Royal Society of Arts last night.

He said: "It will save time and mistakes and greatly benefit industry if management training effort can be intensified."

Government had trespassed heavily on the preserves of management and should end

"We cannot expect manage-ment to accept its responsibilities and react to costs and the conditions of the market placed if Government takes on itself the role of fixing prices.'

He also called for better comand management in industry. £440.

#### **BA** launches improved first-class service

BRITISH AIRWAYS will introduce major improvements in its first-class and Club Class service on long-distance routes, in a bid to keep up with competition from other major

The new features include "sleeperseats" for first-class passengers on Boeing 747 Jumbo jets; a new Club Class seating system on 747s and TriStars, to give more space to passengers; six-abreast seating in what will be called Super Club Class-cabins on U.S. routes; and improved catering.

BA is calling its new firstclass improvements "Crown Class." There will be up to 30 seats in 747s, giving pas-sengers up to 62 inches of space

In the Super Club Class on U.S. routes, seating will also be improved to give passengers more room.

Mr. Gerry Draper, director of commercial operations, said: "We are improving the quality, style and efficiency of our ser vice to the business and first-class traveller. This is premium business and essential to us The first-class single fare,

London to New York, will be £776.50 from April 1, against £675 this past winter and £594 last summer.

The Super Club Class single rate will be £370.50, while the Club Class rate will be £309 single.

First Class and Club Class rates on other routes are also rising. The first-class rate to Hong Kong will be £1,050 munications between workers single, and the Club Class rate

## Redevelopment plan for Bilston steel site

THE FORMER British Steel site at Bilston, near Birmingham; where more than 2,000 jobs were lost because of plant closure, is likely to be redeveloped at a cost of up to £100m, mostly through institutional

BSC has applied for planning permission to develop the 237-acre site, which was expected to be designated as an enterprise zone. Nearby Dudley was named instead which created concern over the derelict land. The corporation's estates department said yesterday BSC would spend about £5m to develop roads and sewers. The

money would come from sales of land and funds generated by the project and would be spent over a period.

Midland Electricity Board has put forward proposals for a heat and power generation plant on the site, which would provide heat at about 20 per

cent less than conventional generating costs. There is already one factory adjacent to the site which would take this heat. Others are interested. West Midlands County Council is expected to spend about film soon on the proposed Black Country distri-

Rail links are good.

The Welsh Development
Agency yesterday announced a new industrial estate for New-port, Gwent, Robin Reeves writes from Cardiff.

butor highway across the site.

The 180-acre site has been acquired from the British Steel Corporation to the south of Llanwern steelworks. It will eventually provide factory space for up to 6,000 jobs.

Shol

The new estate forms part of the agency's special industrial estate and factory building programme, launched to compensate for Welsh steel job lo The development cost, excluding factory buildings, will amount to more than flom. It will provide room for nearly 2m sq. ft. of industrial space fully serviced with gas, elec-tricity and telecommunications

facilities. Areas will be set aside for advance factories and ware-Other land will be reserved for factories and private sector investment.

The site development plan includes an estate centre, with shops, banks and small suites of offices. A spine road will provide the estate with fast, easy access to the M4 Coldra interchange. The services will be sufficient for the development of a further 250 acres of land which might be required

for future needs. The estate site, with adjacent land, has been mentioned as a possible location for the Nissan car project. It has been in BSC's hands because at one stage it was intended for the construction of a second steel

## Land-Rover welcomes the Sandringham 6

Mr. John Gardiner, 44. chief executive of the Laird Group,

receives The Guardian Young Businessman of the Year

award from Mrs. Thatcher. A former Financial Times Lex

columnist, he joined Laird after drawing a survival plan

ast month the BL board A FACTORY to build six-wheel-approved a £75m investment drive versions of the Land-in the new Jaguar saloon. Rover will be established in John Griffiths on plans to produce a six-wheel-drive South Wales in the next three months. It is planned to produce 1,000 vehicles a year and

create up to 90 jobs. The vehicle, the Sandringham 6, is already being built in limited numbers at Bristol by its creators, SMC Engineering. Land-Rover, which describes

the Sandringham as a useful complement to its range, expects to give the vehicle formal approval in the next few weeks SMC has developed the

vehicle, at a cost of just under £500,000 in the past four years. Production started in October 1979. A number of orders were taken including 20 from Saudi Arabia but last year SMC closed

approach from Land-Rover, approval but access to Land-

which up to then had not been involved in the project.

wheeler offered greater rough terrain ability and could carry Land-Royer was then re-estab-Saudi market.

SMC agreed to delay its sales the order books after an acquired not only Land-Rover Michael Stone, and developed

Rover's sales network.

The Sandringham has full In June last year Land-Rover Land-Rover warranty and direct declared its interest as the six- supplies from Land-Rover of a 2 toppe payload against the of the Sandringham has been Land-Rover's 1-toppe capacity. lowered by £3,500 to £11,200. The vehicles have a lishing a network in Saudi lengthened and strengthened

Arabia-after seven years of chassis based on the standard blacklisting under the Arab and long wheelbase Landand will then help to market it boycoit of companies dealing Rovers. As well as the extra worldwide.

with Israel. It was thus anxious driven axie, the Sandringham to prevent a son-approved Lanl- has a two-stage suspension of bar mine laying to towing a Rover product entering the elliptic springs and acon

The key to the vehicle lies, campaign and the vehicle however, in the through axle March 24 a sales promotion will passed Land-Rover's test pro- concept designed by Sandringcedure. The Sandringham has ham's technical director, Mr.

for Sandringham by FF Development of Coventry. The unit is smaller than a standard differential and allows

for all four rear wheels to be driven independently. Sandresult is that the base price ringham says in military applications—expected to be a major source of sales—"up to three wheels can be blown off and the vehicle will still drag itself out of the line of fire." The Sandringham has com-

pleted Ministry of Defence test-105mm light gun. It is also being marketed by

the Ministry of Defence. On demonstrate the vehicle in its gun-towing role. Sandringham is privately soon.

includes a six-wheel-drive version of the Range Rover to be marketed in May and further projects associated with Land-Rover.

It operates a major Land-Rover sales operation in Bristol and a vehicle sales and leasing subsidiary in Belgium. Turn-over is about £3m a year.

Mr. Peter Jones, managing director, says in the past six months it has been organising a recapitalisation with outside finance to fund the project in Wales, which will cost £1m.

robotics for welding of the cab and other assemblies. The plant is being set up with the help of the Welsh Development Agency, and an announcement on the site location is expected

#### BASE LENDING RATES

A.B.N. Bank 12 %	■ Hambros Bank
Allied Irish Bank 14 %	■ Hill Samuel
American Express Bk. 14 %	C. Hoare & Co
American Express Bk. 14 % Amro Bank 12 %	Hongkong & Shanghai 12 %
Henry Ansbacher 12 %	Keyser Ulimann 14 %
AP Bank Lad 12 %	Knowsley & Co. Ltd 16 %
Arbuthnot Latham 14 %	Langris Trust Ltc 14 %
Associates Cap. Corp. 14 %	Lioyds Bank 12 %
Banco de Bilbao 12 %	Mallinhall Limited 14 %
BCCI 12 %	Edwards Manson & Co. 15 %
Bank of Cyprus 12 %	Midland Bank 12 %
Bank of N.S.W 14 %	■ Samuel Montagu 12 %
Banque Belge Ltd 14 %	■ Morgan Grenfell 14 %
Banque du Rhone et de	National Westminster 12 %
la Tamise S.A 121%	Norwich General Trust 14 %
Bardays Bank 12 %	P. S. Refson & Co 14 %
Beneficial Trust Ltd 15 %	Rossminster 12 %
Bremar Holdings Ltd. 13 %	Ryl Bk Canada (Ldn.) 14 %
Brit. Bank of Mid. Dast 12 %	Slavenburg's Bank 12 %
■ Brown Shipley 13 %	E. S. Schwab 14 %
Canada Perm't Trust 13 %	Standard Chartered 12 %
Cayzer Ltd 14 %	Trade Dev. Bank 14 %
Cedar Holdings 14 %	Trustee Savings Bank 12 %
■ Charterhouse Japhet 14 %	Twentieth Century Bk. 12 %
Choulartons 14 %	United Bank of Kuwait 12 %
Choulartons 14 % C. E. Coates 12 %	Whiteaway Laidlaw 141 %
Consolidated Credits 14 %	Williams & Glyn's 12 %
Co-operative Bank 12 %	Wintrust Secs. Ltd 14 %
Corinthian Secs 14 %	Yorkshire Bank 12 %
Corinthian Secs. 14 % The Cyprus Popular BK 14 %	Members of the Accepting Houses
Duncan Lawrie 12 %	Committee
Duncan Lawrie 12 % Eagil Trust 14 %	7-day deposits 9%, 1-month 94%,
E. T. Trust Limited 14 %	Short term £4,000/12months
First Nat. Fin. Corp 161%	13.35% (no changa).
First Nat. Secs. Ltd 16 %	†-7-day deposits on sums of £10,000
Robert Fraser 14 %	and under 9%, up to £50,000 9%%,
Antony Gibbs 12 %	and over £50,000 10-%.
Greyhound Guaranty 12 %	Call deposits £1,000 and over 9%4
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■ Guinness Mahon	21-day deposits over £1,000.10-724
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ATTENTION

CHAIRMEN OR FINANCIAL DIRECTORS of all manufacturing companies and distributors of

The Chief Executive of a major diversifying

financially based UK and overseas group seeks

confidential personal contact with you to purchase

immediately, against cash, substantial quantities of your present and future manufactured merchandise.

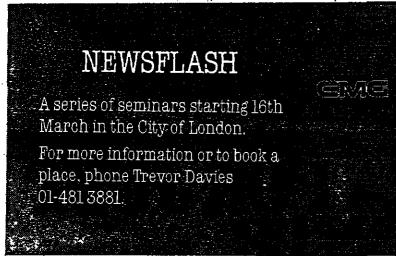
For an immediate appointment please telephone:

The Chief Executive on 01-409 0741

non-food merchandise and products.

THE TRAINS

## **CMG Viewdata Seminars**



Think of CMG's Viewdata as a Diary. a Mailbox, a Noticeboard, a Client File, a Sales Chart, a Call Report, a Memo, etc.

#### **APPOINTMENTS**

## Stone-Platt deputy chairman

Mr. R. T. Whitfield has been Electricity Generating Board appointed a deputy chairman of Mr. Sallis is currently head of STONE-PLATT INDUSTRIES industrial relations services in and chairman of the PSL Textiles Machinery Division.

Mr. John Mackenzie Green and Mr. Paul McCarthy have been elected directors of FIELDING JUGGINS MONEY AND STEWART. Mr. Tony Brotzel has become an assistant director.

Mr. Richael B. Cannan has been appointed chief executive of the Electricity Supply Superannuation' Schemes. He was previously deputy financial adviser to the ELECTRICITY

Mr. Howard Sallis, has been appointed industrial relations adviser to the Council, from April 1 in succession to Mr. Derrick Harrison, who has been appointed director of personnel management at the Central

personnei department of the CEGB. Mr. Robert Woodford, group

personnel director, has been appointed to the board of THE THOMAS COOK GROUP. Sir David Scott, a previous British Ambassador to South Africa and a director of Barclays

Bank International, has been appointed to the board of ELLER. MAN LINES. Mr. Donald Kirkham has been

appointed deputy chief general manager of the WOOL-WICH! EQUITABLE BUILDING SOCIETY. Mr. Kirkham will be responsible for corporate and market planning and European affairs. He is succeded as general manager (operations) by Mr. pany.

assistant general manager (development). Mr. Michael Tuke has been promoted to assistant general manager (finance) and will retain his post as secretary of the society.

Mr. F. K. Gee, Mr. T. M. Hudson-Evans, Mr. J. F. S. Hyde, Mr. A. S. Mann, Mr. D. J. Saunders, Mr. G. F. Tebutt and Mr. J. F. Young have been appointed directors of C. T. BOW-RING AND CO. (INSURANCE).

Mr. John Russell has been appointed technical director of F. F. SYSTEMS, Pontefract.

Mr. Brian A. Nolan, Mr. Frank Fensome and Mr. Ian D. Ball, divisional general managers of FERRANTI COMPUTER SYSTEMS, have been appointed additional directors of the com-

# The Royal Bank of Scotland

## INTEREST RATES

The Royal Bank of Scotland Limited announces that with effect from 12th March 1981, its Base Rate for lending is being reduced from 14% per annum to 12% per annum

As from 12th March 1981 the rate of interest on Investment Accounts will be reduced to 10 per cent per annum. The maximum rate of interest allowed on Deposits lodged for a minimum period of seven days or subject to seven days' notice of withdrawal at the London Offices of the Bank will be reduced to 9 per cent per annum.

## Yorkshire Bank **Base Rate**

With effect from 12th March 1981 Base Rate will be changed from 14% to 12% p.a.



Leeds LS2 8NZ

The Commercial Bank of Wales announces that their Base Rate will be reduced by

2% to 13% per annum on the 11th March 1981 until further notice.

Interest payable on demand, Deposit Accounts will be at the rate of 11% per annum.



## **Grindlays Bank Limited** Interest Rates

Grindlays Bank Limited announces that its base rate for lending will change

> from 14% to 12% with effect from

Thursday 12th March 1981

The interest rates paid on call deposits will be:call deposits of £1,000 and over 9% (call deposits of £300-£999 8%)

Rates of interest on fixed deposits of over £10,000 will be quoted on request. Enquiries: Please telephone 01-930 4611



## Shop stewards seek time off to talk to schoolchildren

COMPANIES should be forced boy or girl leaving school will themselves and understand the to give shop stewards time off have even seen a trade union to put the union's message membership card or understand across to schoolchildren, Les what a collective agreement is." Wood, general secretary of the Union of Construction and Allied Trades' Technicians, told MPs vesterday.

Schools should place less emphasis on academic and exam success and give pupils a better insight into the economic and social facts of working life, Mr. Wood told the Commons education select committee investigating school curricula.

"It is most unlikely that any

that school leavers entering industry may have learned backed by law. about trade unions solely Representative through hostile media.

bargaining worked. Mr. Wood said the TUC created,

work, so they could think for any lasting change.

He feared that companies might be reluctant to give shop Mr. Wood expressed concern stewards time off to visit schools

Representatives of the Confederation of British Industries He said that they all knew the said that teachers, industrialists meaning of the word strike, but and union officials should get not necessarily how collective together to explain to school-

wanted young people to learn about the kind of pressures and ignorance and mutual suspicion problems they would face at needed to be overcome to effect

#### Woolworth will rent videotape cassettes

**8y Elaine Williams** 

WOOLWORTH, which has already entered the video tape recorder market, is to compete with High Street television rental companies by setting up its own videotape cassette rental scheme.

The company has invested about £502,000 in the scheme, which will allow customers to choose initially from a range of 100 film titles including Jaws and Murder on the

Orient Express.
It is the first multiple store group to run such a scheme It will be offered at 100 stores. Customers join the "Woolworth Video Club" by paying a refundable deposit of £30. They can then rent cassettes for three days for

Thorn-EMI will be supplying the cassettes to Woolworth, which is already selling videotape recorders in 47

market has "exciting growth potential" which is under-lined by the fact that in an experiment before Christmas more than 200 videotape re-corders worth £100,000 were sold at 18 stores.

David Churchill on RHM's surprising effort to stimulate sales

## Cracker launch as market crumbles

RHM FOODS, a subsidiary of product sector face static the baking group Ranks Hovis demand. McDougall, has surprised analysts by launching a new cracker biscuit which will inevitably further erode bread sales in the U.K.

But the subsidiary's decision to press ahead in spite of the effect on its parent company's main trading activity is an example of how all food companies are anxiously searching for products to maintain sales supermarket chains volume in a depressed market. .

facing the bread market—where demand has steadily declined also found its own traditional ago.

RHM Foods is the established brand leader in a number of areas-with famous names such as Bisto, McDougalls, Saxa, and Scott's Porrage Oats — but growth in these sectors is

stuffs as flour, salt and oats, are among the products often

These problems, common to crumble" consistency. Apart from the problems most food manufacturers, forced acing the bread market—where RHM Foods to cut the workforce at its Teesside factory by for years - RHM Foods has about 500 just over two years

it has picked a winner in a new cracker or crispbread called and had been successfully ex-"Cracottes." RHM's optimism ported to other European means it is planning to invest countries. some £1m in plant and RHM, tory which will create at least

another 50 jobs. Cracottes are different from In addition, such staple food-normal crackers and crispbread. They are extruded and then toasted, not baked. This, most heavily discounted by says RHM, gives the crackers supermarket chains an "all crunch and no

RHM Foods had been search

But RHM Foods is confident France's largest food manufacturer, BSN Gervais Danone,

> RHM, however, was fail—estimates out the rate as high as nine out of ten. But it

vision area. . The test results surprised Yorkshire housewives bought Cracottes. Analysis of sales. however, showed Cracottes were ing for new products when it not only competing in the discovered Cracottes at the cracker market (worth £75m in Paris Food Fair in late 1979. sales value nationally), but also

## Abbey launches club for home buyers

BY TIM DICKSON

ABBEY NATIONAL Building own home, will receive a Society has launched a Home Buyers Club to provide people buying their first home with series of fact sheets explaining practical tips and other information. The society says it has loan repayment and insurance. identified a need for this type

Members of the club, which furniture retailers and members will be open to new or existing will receive newsletters giving members of the Abbey aged 18 information about the housing

house buying process and a each stage in detail, including

or over planning to buy their market in their area.

The club is the latest of a booklet providing a guide to the number of ventures recently pioneered by the Abbey. Mr. Clive Throtton, chief general manager, said: "Buying a A discount scheme has also home can be a confusing and been arranged with leading complicated business, particularly for the first time. The will receive newsletters giving club will help members to information about the housing avoid many of the problems the problems that can arise."

## Judge upholds council's decision on school fares

SUFFOLK County Council's decision to charge bus fares for stop the council from making under-nines who live less than the charges and a declaration from school. two miles from school was not that its decision was void on the unlawful, a High Court judge grounds that it was improper said yesterday.

The council was entitled to take its financial position into account, said Mr. Justice

He dismissed an action brought by Mr. Graham Jones, a parent and local government

He sought an injunction to if children under nine lived it seems quite impossible to top the council from making more than one and a-half miles hold that the council was exerand unreasonable.

His son Daniel, aged five, ttends Tollgate Primary attends Tollgate School, which is one and a-half to two miles from their home at Fornham All Saints, Bury St. Edmunds.

The council's previous policy was to provide free transport

Mr. Jones said the council's

new policy was motivated purely by the need to save money. It disregarded other considerations, especially the educational one of whether free transport continued to be necessary for the purpose of facilitating the attendance of pupils at schools."

The judge said: "In my view

or unreasonably. It did not disregard other considerations.". He said last July the council. on its 1980-81 budget, decided that parents of children who lived within the statutory walkmiles for those under eight, and three miles for those over eight - would have to pay £45 a year.

#### UK ECONOMIC INDICATORS

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OUTPUT-By market sector; consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, -leather and clothing (1975=100); housing starts (1998 monthly conserved)

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1979 3rd atr.	105.6	96.4	132.5	95.0	105.1	100.2	21.0
4th qtr. 1980	105.4	101.1	129.6	99.2	103.4	96.4	19.7
1st atr.	104.6	100.9	123.4	98.8	56.4	92.2	13.3
2nd qtr.	98.2	96.2	123.2	93.2	93.7	85.6	15.3
3rd atr.	97.0	94.7	117.3	91.3	78.0	82.8	12.5
4th atr.	93.9	91.9	116.8	86.9	70.3	76.0	10.1
April	99.0	97.0	122.0	94.0	89.0	88.0	15.0
May	97.0	96.0	124.0	93.0	99.0	84.0	16.7
June	98.0	95.0	124.0	93.0	94.0	85.0	16.4
July	99.0	96.0	121.0	93.0	81.0	85.0	13.6
Aug.	97.0	95.0	116.0	91.0	80.0	84.0	10.8
Sept.	95.0	94.0	114.0	90.0	73.0	79.0	13.0
Oct.	95.0	93.0	116.0	88.0	67.0	76.0	11.8
.Nov.	94.0	92.0	118.0	87.0	74.0	77.0	11.1
Dec.	93.0	91.0	117.0	86.0	70.0	75.0	7.2

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		118.7	-616	+918	-157	105.5	28.98
3rd qtr	125.2			+1,566	+222	105.6	27.90
4th qtr.	126.7	112.0	+1,266				28.28
Mav	129.8	120.8	- 1	+ 77	<b>- 25</b>	102.0	
June	128.9	124.2	+ 15	+ 81	- 23	103.8	28.17
July	128.6	117.1	+303	+403	+ 98	. <b>104.3</b>	28.27
	123.8	120.5	- 29	+ 72	+ 23	106.0	· 28.29
Aug.	121.9	114.8	+344	+445	+ 39	105.3	27.64
Sept			+476	+576	+133	105.4	28.03
Oct.	124.8	106.5			+ 54	106.0	28.19
Nov.	129.6	114.9	+423	+523			
Dec.	125.8	114.7	+367	+467	+ 35	105.5	27.48
·· 1981					_		
Tan	123.9	100.9	-+ 757	+957	+210	106.4	28.39

FINANCIAL Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual

	rate (end		Sank		BS	HP ·	MLR
	M1		advance	£m	inflow	lending	96
_	%	_ %	%	<u>ж</u> ш .	TTT10#	teneme.	. 70
1979				·-L9 649	933	1,875	14
3rd atr.	12.0	11.2	13.4	+3,642	839	1.959	14
4th atr	14.4	15.6	22.6	+2,977	993	1,505	14
1980		•					
lst atr.	- 4.0	7.2	21.9	+1,725	634	2,049	17
2nd ctr.	- 1.5	10.7	23.3		697	1,964	. 17
Brd qtr.	14.4	39.1	45.2	+6,511	1,090	1,933	16
	8.4	21.0	11.2	+3,505	1.253	1,790	· 15
th gtr.	- 4.0	5.9	18.8		266 -	682	· 17
April		12.6	21.8		225	607	17
May	4.0		- 22.0	+1,369	206	675	. 17
Tune	<b>– 4.9</b>	13.7	50.8	+3,469	340	- 663	16
July :	11.7	36.5		7 0,700	307	613	- 16
Aug.	11.2	40.8	46.4	+2,039	443	657	16
sept	20-5	39.3	38.7	+1,003			
Oct.	5.5	23.3		+1,186	520	629	16.
Nov.	7.7	19.1	7.7	+1,450	285	558	14
	10.6	19.2	7.0	+ 869	448	603	14
Dec.	10.0			•.		• ". "	• .
1981		13.4	10.1	+ 634	446	627	14
Jan.	9.8	19.2		:			14
TAR.						•	.=-

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of

sterling	(Dec. 197	71=100)				· . <u></u>	• • •
3 LA LING	Earn- ings*	Basic matls.*	Whsale.		Foods	FT* comoty	Strig.
1979 3rd qtr. 4th qtr.	154.2 161.7	169.9 183.9	176.4 181.8	231.1 237.6	231.9 237.2	301.66 295.13	91.3 88.5
1980 1st qtr. 2nd qtr.	167.7 178.9	197.2 201.3	191.4 199.0	248.8 263.2 268.9	247.5 255.9 259.3	284.47 267.45 275.13	93.0 94.5 96.7
3rd qtr. 4th qtr. May	188.4 193.2 178.1	201.9 203.3 200.4	203.6 206.1 199.0	273.9 263.2	259.3 260.7 255.7 275.9	269.25 268.23	100.2 94.7 94.5
June July Aug.	183.7 185.1 186.5	201.1 201.7 201.8	201.0 202.7 203.5	265.7 267.9 268.5	259.9 259.0	267.45 273.57 275.38	95.6 96.8
Sept. Oct. Nov.	193.6 189.9 192.6	202.1 201.4 203.4	204.6 205.3 206.2	270.2 271.9 274.1	259.0 259.3 260.0	276.44 274.65 270.56	97.6 99.2 101.1
Dec. 1981 Jan.	197,2	205.1 209.6	206.8 209.8	275.6 277.3	262.7 266.7		100.2
Feb.		213.1 * Not s	211.8 seasonally	v adjust	ed_	259.93	



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#### TRADE UNIONS

## TUC warns of new bout of militancy on wages

THE EFFECTS of the Budget real drop in living standards as 'another 1m low-paid into the on workers' living costs could spark a new bout of wage militancy, according to trade union

Since the autumn the level of wage settlements has fallen to well below the prevailing rate of price increases, as the fear of unemployment has taken

But the TUC predicts strenuous efforts will be made, especially by those groups with industrial power, to recoup their

Members of the TUC economic committee who met yesterday, agreed that the overall effect of the Budget would be to cut family budgets by an average £5 a week and to add about 4 per cent to wage demands.

mood would be reinforced by a

THE GOVERNMENT must take

a "hard look at the possibility of further reductions" in public

spending below present levels, Mr. Leon Brittan, Chief Secre-

tary to the Treasury, said

yesterday. Speaking at a Press con-

ference yesterday after publica-

tion on Budget day of the

spending White Paper, Mr.

Brittan stressed the intention

to cut spending in real terms,

and hinted at the possibility of

of the new system of cash plan-

ning for controlling expenditure

Mr. Brittan was repeatedly

unemployment and said

questioned about the prospects

that in common with the prac-

tice of previous Administra-

tions, he would not publish a

forecast of unemployment, as

BY DAVID MARSH

opposed to a working assump-

MONETARY POLICY

Sir Geoffrey Howe, the Chan-

cellor, stressed in his Budget speech that the changes the

Bank of England has made over

the last few months in its

methods of monetary manage-

ment have been "desirable in their own right."

with an eventual move towards

a monetary base system, under

which the Treasury and Bank would set a growth target for

the base (Banks' reserves held

at the Bank of England plus

notes and coin in circulation)

and allow interest rates to fluc-

But it is clear that the

monetary authorities would be reluctant to move to a fully-

fledged monetary base system

cretionary power to set interest

on Tuesday, the City faces a further period of consultation

on monetary changes. These

Budget are torn between praise for its favourable impact on the

gilt-edged market and fears

about the further deflation it

had shown in the most uncompromising way that talk of an

The Chancellor's increases in

income and consumer taxes, with the failure to help industry, would lead to a bigger rise in unemployment this year and higher inflation

By taking tough action to cut

public sector borrowing, the

Government had maintained its medium-term financial strategy and boosted the gilt-edged market's hopes of an

in the short term.

will deal to the economy. Leading gllt-edged brokers said yesterday the Government

CITY RESPONSE

As outlined by the Chancellor

involving significant loss of dis-

tuate freely.

They would also be consistent

for improving control of the at the Bank of England.

He stressed the importance

further reductions.

in later years.

PUBLIC EXPENDITURE

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

the consequences of this winter's wage deals were felt, as well as by the example of the miners and water workers in successfully breaching Government financial targets.

The committee will seek an early meeting with the CBI to capitalise on industry's disappointment with the Government's remedies for the economy.

The committee decided meeting with Ministers to register trade union protest would be counter-productive because it might serve only to unite what they believe is a divided Cabinet.

The economic community yesterday described the Budget as a "desperate gamble" which would add at least 1m They argued that the militant to the registered unemployed total of nearly 2.5m and bring

tion used in calculating social

The assumption that unem-

ployment would average 2.5m

in 1981-82 and 2.7m in 1982-83

referred to adults in Great

Britain, and excluded Northern

Ireland, where the assumption

was that 108,000 on average

would be out of work in 1981-82

This indicates a UK total of

and 116,000 in subsequent years.

2.6m in 1981-82, or 2.82m if

school-leavers, adult students

and temporarily stopped are included: and 2.8m in 1982-83,

or over 3m on the wider defini-

tion. Br. Brittan declined to

The new cash contingency

reserve fixed at £2.5bn in 1981-

1982, will cover increases in

cash limits for both pay and price changes, as well as addi-

**Option open on new base system** 

THE GOVERNMENT is care-hinge on the plan to phase out banks' prudential liquidity re-

fully leaving its options open the reserve asset ratio—the quirements, which came in for on the possibility of bringing in a new monetary base system bilities that banks have to hold when it was published with the

tool which the Bank could use

Opinion in the City yesterday

Mr. Gordon Pepper, managing

partner at gilt-edged broker W. Greenwell, a strong advocate

of monetary base control, said

progress was "slow but in the

right direction." He only wished

the Government had started to

tary control published in March.

Brokers fear further deflation

CTTY commentators on the eventual lasting drop in last-ditch effort to resuscitate a

the policies would be too severe

to be maintained for long. The Budget " might have been

designed by a gilt-edged broker

with monetarist leanings," said Carr Sebag. "But it is bad news for the hard-pressed

industrialist and even worse for

Economic recovery was not

now due until 1982 at the

earliest, it said.
The Budget was termed

"savage" both by Carr Sebag, and by Laing and Cruickshank,

which said the squeeze on per-

sonal incomes and lack of real

relief for companies "may sig-

nal a mortal blow to the eco-

James Capel said it was "a

the unemployed."

Some brokers saw a risk that

make changes a year earlier.

than revolution."

to influence short term interest

advisers were still proceeding

which is, in effect, one part of because the reserve asset ratio

the monetary base, will be ex- will function as a prudential

tended into a more important . tool in the transition phase until

was that the Chancellor and his the groundwork for a move to a

Discount market participants ket mainly by buying bills from stressed that the Government the discount houses, with the was aiming at "evolution rather" bill rates set at more market-

The next step will be for the Bank has also improved links

Bank to issue, probably today, with the Treasury and other a follow-up document to the ministries so that better original Green Paper on mone-advance information can be

It will also launch a re-draft to and from the Exchequer will

of its consultative paper on effect market liquidity.

are agreed.

total might exceed 3m.

tional volume spending.

when during 1982-83 the

security benefits.

"Working people cannot be expected to submit weakly to a drastic cut in their living standards, both through attacks on their wages by tax increases and declining services," it said.
Some trade unions believe

Mr. Bill Whatley, general secretary of the Union of Shop, Distributive and Allied Workers, said the Budget was bound to -all impact on pension invest-add to distribution and retail ment strategy or the trends in costs, at a time when some food sectors were already experiencing a fall in demand and being forced to put workers on to a reduced week. He said membership of his union, which

fell only 4 per cent last year, would fall more sharply from

The only main exception will

be any rise in the number of

social security beneficiaries

The spending figures in the

medium-term financial strategy

assume favourable movements

in level of public-sector costs.

notably wages, relative to prices

After an unfavourable move

ment of 1; per cent in the current financial year the rela-

tive price effect, as this ratio

is known, is projected to move

favourably by 1 per cent in

The hopes about containing

public-sector costs, notably wages, are highlighted by the

contrast between the expected

-3.2 per cent fall in volume of

general Government spending

between 1980-81 and 1983-84.

and the 4.5 per cent decline pro-

The two documents are linked

the new liquidity arrangements

the Bank of England has laid

more flexible system of setting

interest rates by reducing its lending at Minimum Lending

This has taken some of the

The Bank now makes up

edge off taunts by Mrs. Thatcher

that the Bank is the lender of

shortages in the discount mar-

related levels than before. The

obtained on how flows of funds

discredited policy." The unem-ployment total would increase

by 250,000 by the end of the

year, with no prospect of a slow-down until at least mid-1982. Philips and Drew said the

fiscal measures would depress

real gross domestic product by

about 11 per cent this calendar

the economy was near to the

posals were likely to help the

economy significantly.
Wood, Mackenzie sald the

Government's claim of carrying

forward its monetary strategy

was suspect. No attempt had.

been made to offset last year's

big rise in money supply by cutting growth in 1981-82.

Hoare Govett forecast that

first rather than last resort.

Rate to the discount market.

During the last few months

above the assumed level.

in the economy generally.

their members are only begin-

ning to feel the weight of the

'Hard look' for spending cuts

#### INSTITUTIONAL INVESTORS

## Demand likely to be high for gilts issue

DEMAND FROM pension funds and insurance companies for the new £1bn index-linked gilts issue restricted to pensions managers, is likely to be suffi-cient to bid the stock up above its nominal value.

"We will have to have some of that," was the consensus among institutional investors

Fund managers were swift to say, however, that a single issue £1bn of stock-or even several-would have little overthe capital markets. The total nominal value of

gilts in issue is about £100bn. The pension funds control investments of about £45bn and have an annual cashflow of

"It would require the issue of about £6bn per year of such stock before we could think about guaranteeing indexed penone fund manager said. Legal and General, one of the largest insurance companies in ment's funding problem.

Densions management, said: "£1bn does not go anywhere near letting us sell a class of index-linked policies." There was reluctant agree

ment that the figure of a 2 per cent real rate of return, created by the coupon on the new stock was likely to become a benchmark against which fund managers' performance would be measured.

It might also become the yardstick by which the Government Actuary would assess contribution rates needed to maintain the index-linked pensions of the public sector.

Use of the stock as an actuarial tool was seen by some fund managers as the main reason why the gilt is to be tradable in the market. This would establish a market value to the rate of return.

Overall, the new stock was seen as designed to alleviate upward pressures interest rates and the Govern-

#### OIL TAX

#### Tax plans hit North Sea oilfields, say companies

BY RAY DAFTER, ENERGY EDITOR

INDUSTRY executives part of an additional £1bn in warned yesterday that North tax in 1981-82, would initially Sea tax proposals increased the risks of offshore operations, and could slow development of new

Mr. Douglas Ratcliffe, chairman of Occidental UK, operator of the Piper and Claymore Fields, stated: "The risks have been increased and the rewards reduced. It is like a moving

Shell UK, as operator of the greatest number of North Sea oilfields, including Auk, Brent, Cormorant, Dunlin and Fulmar, said that past tax changes had already offset the increase in world crude oil prices. At the same time costs of finding and developing North Sea oil and gasfields had increased.

This further change has increased the climate of uncer-tainty for Shell UK and the rest of the oil industry." But there was

industry satisfaction that the proposed Supplementary Petroleum Duty to raise the best

apply only until June 1982. was felt that the Govern ment had heeded the companies' views that the proposed fourtier tax system would be too cumbersome.

It was thought that industry representations resulted in the safety-net provisions for the supplementary tax. The duty will be repaid where a field production ceases recovering its full development British Petroleum's economically marginal dis-covery, the Buchan Field, could be a candidate for such

BP, one of the biggest taxpayers in the North Sea, thanks its Forties Field project, made no comment on the tax proposals yesterday, though the industry view was that BP and Occidental, two of the main payers of Petroleum Revenue Tax, should be pleased that the North Sea tax burden would be spread more widely,

#### **ENERGY PRICES**

## Gas price freeze a threat to heavy fuel oil sales

which fell 30 per cent last year. facturers on interruptible supare expected to be further hit plies pay less for their gas in by the Government's latest con-return for running the risk of cessions on industrial gas prices. being cut off.

Up to now gas and heavy fuel

oil prices have been running neck and neck. The British Gas Corporation is now able to undercut its oil company competitors.

Petroleum Industry Association, which represents most major oil companies, yesterday admitted the latest moves on gas prices were likely to encourage the downward trend in fuel oil sales.

It pointed out the pegging of gas prices came on top of the Government's decision not to cut the £8 a tonne duty on heavy fuel oil. A reduction in the duty, one of the highest in Europe, had been widely forecast and such a move might have given a small boost to fuel oil

But the association said manufacturers would now start "looking very hard" at alternatives to fuel oil.

Last night British Gas spelt out details of its price pegging plans. The corporation revealed that gas bills of some of its enforced a major customers would be as this year. bottom of the recession. The much as £200,000 less than Chancellor's small business pro-expected.

expected. in a similar British Gas stressed it was contracts. not introducing a freeze on all industrial gas prices. But up to December 1 this year there would strict limits on the size of price increases.

UK SALES of heavy fuel oil, on interruptible supplies-manu-Between September

The decision to peg gas prices Between September and at January's contract renewal November last year British Gas will enable many manufacturers to buy gas at about 2p a therm less than the cost of heavy fuel oil. This compensates for changes in temperature and pressure. The price of firm supply gas is linked to that of heating oil. At present gas charges are about 70 per cent of the equivalent heating oil price. But as oil prices rise, so do those of gas, and in December last year

> therm. In addition, price escalation clauses in all these firm supply contracts automatically put up charges by 1p per therm every

British Gas started renewing

firm supply contracts at 29.3p

three months. The price charged to those who renewed firm supply contracts in September last year therefore rose from 28.3p to 29.3p a therm in December. These who renewed contracts in December expected prices would rise from 29.3p a therm to 30.3p

a therm this month. But British Gas is holding firm contract renewal prices at the December level of 29.3p. The quarterly 1p a therm price escalation clauses will not be enforced up to December 1

The new measures will apply in a similar way to interruptible Interruptible contract prices will be pegged at about 24p plus.

ip a therm until December f price increases.

The concessions on prices will backdated to March 1 this year.

They will cost British Gas £73m apply to customers with firm and its external financing limit supply contracts and to those has been adjusted accordingly.

#### RETAILING

#### Shoppers snap up pre-Budget drink stocks

By David Churchill and

SHOPPERS were out in force yesterday buying drinks and cigarettes at pre-Budget prices while stocks lasted. Most major retailers reported queues for eigarettes, whies and spirits as consumers stocked up. The Tesco supermarket chain said demand was heavy and it ex-pected to run of pre-Budget stocks before the weekend.

particularly of sherry and spirits. Buying was down yesterday on the pre-Budget run up but is expected to be very heavy by the weekend. Peter Dominic said there were queues at all its shops

Victoria Wine, with 940 out-lets, reported heavy buying,

and wine sales had been heavy.
Most wine traders will increase their prices to take account of the duty increases when present stocks run out. This is likely to happen by

the end of next week for most

companies. Public houses appear to have enjoyed only a modest boost to trade by people drinking more before prices go up. Public-house licensees olan to increase prices when beer stocks run out, mostly by the weekend or early next

Brewers yesterday discussed price rises. Some brewers have decided to opt for 4p-apint across-the-board increases while other increases will range from 3p to 5p.

The brewing industry was

in shock yesterday at the scale of the duty increases Companies are worried that beer sales will continue to fall due to the general squeeze on living standards and the price rises. Production and sales forecasts for the year are being revised downwards.

Most tobacco companies believe the extra 14p tax imposed on a packet of 20 kingsize cigarettes will cause sales to fall sharply. Imperial Tobacco, with more than half the cigarette market, does not expect sales to recover for a

Gallaher, the second biggest UK manufacturer, warned that the duty increase would put up the cost of living and pressure on wage

## **MOTOR** Sales boom forecast for motorcycles

By Kenneth Gooding, Motor industry Corresponder

THE MOTOR INDUSTRY expects a short-term boom in motorcycle sales as customers rush to buy before April 1, when another 10 per cent in tax will be added to the price. Typical savings will be between £30 and £300.

The trade has been depressed for some months and stocks are high so retailers will welcome the

windfall, even if it means business will be depressed for some months after April. The Institute of Motor-cycling said the overall effect of the measures should be "marginally beneficial."

The fact that the Chancel-lor has, in his words, cleared up an anomally by extending the special car tax represents a defeat for the motor industry, which argued that it should be removed completely.

The industry's first impressions are that an adverse effect on registrations is inevitable.

#### INTEREST RATES Banks reduce base lending rates to 12% Financial Times Reporter

LEADING BANKS reduced hase lending rates by 2
percentage points to 12 per
cent by last night in line with
the Chancellor's cut in
minimum lending rate. The main clearers cut interest rates on seven-day

déposit accounts by 21 per cent to 9 per cent. The National Girobank will pay 8 per cent on these accounts, 9 per cent on these accounts, y
per cent on those of more
than six months.

National Westminster is
cutting by 1 per cent the flat
rate of interest on personal,

home improvement, business development and development loans. Barclays is now charging

14 per cent for mortgages. Barclaycard, the credit card operation, reduced its monthly rate from 24 to 2 per cent (26.8 per cent per annum).

Building societies meet today to consider their second cut in interest rates this year. They are likely to reduce the 14 per cent mortgage rate by about 1 per cent.

## Coal industry aid will top £100m

BY MARTIN DICKSON, ENERGY CORRESPONDENT

put forward by the National Coal Board at the third in a series of tripartite meetings with Mr. David Howell, Energy Secretary, and miners' leaders to work out a new financial framework for the industry. The meeting also heard that the Government is to boost miners' redundancy payments.
The Government committed

itself to additional support for the NCB last month to avoid a miners' strike over the threatened closure of 23 pits, Sir Derek Ezra, NCB chairman, told yesterday's meeting that the cost of withdrawing the pit closure programme and of providing subsidies to match the price of imported coal might be between £100m and £200m in 1981-82, though it was still

difficult to be precise. But the final cost to the final cost to the Government could be higher. further help

He said this should include porting of coal, and firm marginal support for an experimental coal liquefaction plant imports.

planned for Point of Ayr,
planned for Point of Ayr,
has risen by more than 70 per has risen by more than 70 per

THE GOVERNMENT was told assistance for just one year yesterday that its promise of would not solve any problems." aid for the coal industry is Two further requests by the Two further requests by the likely to cost it at least £100m industry have already been met to £200m in the coming year. by the Government Mr. Howell These tentative figures were announced yesterday, that he was boosting miners' redun-dancy payments, while Tues-day's Budget provided £50m over the next two years in Government grants for com-panies converting their boilers from oil to coal-firing.

Improvements to the miners'

redundancy scheme will pro-vide for the average payment to a man over 55 to rise from £16,000 to about £23,000 and he will be eligible for addi-tional benefits under other regulations. The total cost to the Government is likely to be £10m to £15m a year. Coal conversion grants were

welcomed yesterday by Sir Derek Ezra and Mr. Gormley. The Government will provide up to 25 per cent of the capital costs of boiler conversions. It is estimated the scheme could help boost coal use by 2m

No date is expected to be At yesterday's meeting Mr. Joe set for a further tripartite meet-Gormley, miners' union presing until the NCB and the dent, urged Mr. Howell to give Department of Energy have given more detailed proposals.

The NCB has only just begun He said this should make a greater relief on the NCB's delicate negotiations with heavy interest payments burden, beavy interest payments burden, beavy interest payments burden, beavy interest payments burden, beavy over the subsidies

be seeking further financial years, the Domestic Coal Con-assistance next year. Mr. Gorm- sumers' Council says in its led told a Press conference annual report, published yester-yesterday that "to provide day.

## **British Gas in North Sea** pricing system dispute

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

High Court yesterday. The Corporation is in dispute about pricing with two con-

sortia that sell it gas from the Hewett and North of Hewett fields. The Phillips and Arpet groups have sought an increase

in the price they are paid on principle question for the court the ground that a change in the was whether the experts' panel economic circumstances has caused them hardship.

rect interpretation of the agreebetween the consortia and British Gas, and in partiincrease price should be calcu-Mr. Christopher Bathurst, QC,

for Superior Overseas Development and two other Arpet group companies, told Mr. Justice Parker that under the agreements, if a company felt that because of a change in the economic circumstances relating to the agreements it suf-fered hardship it could request a meeting with British Gas to discuss an adjustment of the price or the price revision

mechanism.

If after 90 days from the request no agreement was reached the dispute went to a panel of experts, who had 60 days to act separately. decide whether to award a price

THE PROCEDURE for revising increase taking effect six months the price the British Gas Cor- after the date of the company's poration pays for North Sea gas original request—to "offset or came under the scrutiny of the alleviate" hardship it suffered. In recent months the com-

rec

car

panies requested meetings with British Gas, and the disputes were due to be heard by experts. In each case the effective date for any award would be April 1 1981. Mr. Bathurst said that the

had to "offset and alleviate" the hardship suffered by the The Commercial Court has companies at that date as been asked to rule on the cor- British Gas contended, or whether the panel had the power in effect to backdate its award by taking into account cular to say on what basis any hardship occurring before that date, as the companies con-

If the court accepted the companies' contention there would be a question about what was the "backstop" date beyond which the companies "hardship" could not be taken into account

British Gas contended that the backstop should be May 4, 1977, when an earlier panel made an award.

The court was asked to rule on whether the agreements required the companies to act jointly in such disputes, or enabled individual companies to

The hearing continues today.

## New S.E. coach network

THE Eastern National Omnibus Company will start seven new

coach routes later this month to link towns in the South East without passing through London. Mr. Geoffrey Dobson, coach Junction, European ferry manager for Eastern National, services from Harwich and with

Highwayman services mostly connect with other main trwavel routes. The coach route from Southend to Peterborough The proposed "Highwayman" links up with the BR high speed services will provide more direct train services to the North. travel to places not easily Other coach journeys connect accessible by public transport, with Inter-City trains at Watford part of the state-owned National other parts of the National Bus Company said yesterday. Express coach network

#### Spencer revival raises sale record by £48,000 A PAINTING by Sir Stanley The morning session was

Spencer of Christ Preaching at devoted to British Impressionists Cookham Regatta: Girls Listen and post-impressionists and did ing, sold for £65,000 at Sotheby's yesterday. The anonymous buyer will have to pay an extra 11.5 per cent in buyer's premium and VAT. The price was easily a record for Spencer who is currently enjoying a revival of The previous best was paid in

the same saleroom last November but was only £17,000. The recent exhibition of Spencer's

SALEROOM BY ANTONY THORNCROFT

work at the Royal Academy, which included the painting sold yesterday, did much to reestablish his position as one of the leading British artists of the twentieth century.

Other high prices in the modern British paintings sale were the £11,500 from Richard Green for a reclining made by Sir William Russell Flint and

and post-Impressionists, and did very well for a total of £299,680. D'Offay, the London dealer, was a prominent buyer, paying a record £38,000 for Hay Carts. Cumberland Market, painted around 1915 by Robert Bevan, and £36,000, another artist's record, for A London Street in Snow, 1917, by Harold Gilman Browse and Darby gave £13,000 for Piazza San Marco by Sickert while the National Portrait Gallery acquired a 1907 portrait of Princess Victoria, the Princess Royal, by Philip de Laszlo for £1,300.

Sotheby's also disposed of a ollection of Islamic coins for £145,197, with a reasonable 9 per cent bought in Top prices were the £13,000 from a Geneva dealer for a rare dinar of the Islamic year 127; £19,000 from Spink for a Marwan II dinar of 132, and £8,000 for a dinar from the Al Andalus mint of 114.

"Christie's South Kensington disposed of the remaining studio Sir William Russell Flint and contents of the late Arthur £11,000 from Crane Kalman for Cooke. England's Green and a 1928 Lowry: The Steps, Irk Pleasant Land far exceeded its forecast price at £2,400.

## Co-op and TBS move to join clearing banks in £50m loans venture

SMALL BUSINESS

John Eiliott. mercial Finance Corporation out in negotiations between the and the three Scottish clearing Industry Department, the four It is not yet clear whether ICFC.

THE CO-OPERATIVE Bank and will be included, at least in time discussed, including special the Trustee Savings Bank are for the launch which is planned arrangements the ICFC will to apply to the Department of for May 1. The Government need, to allow it to use the the Trustee Savings Bank are for the launch which is planned to apply to the Department of for May 1. The Government Industry to be included in the will vet all applications care-£50m-a-year small firms' bank fully because it is relying on loan guarantee scheme and the banks to back only viable nounced in the Budget, writes businesses.

the TSB and the Co-op Bank Final arrangements are to be

The banks will have to prove The four main clearing banks they have sufficient long-term—Barclays, Lloyds, National experience of dealing with small Westminster and Midland—are businesses and that they have already in the scheme, along an adequate branch network, with the Industrial and Com-

main clearing banks and the

scheme for loans which form . part of a large equity package.

A top limit for the amount of loans made in any one year has been set provisionally at £50m not be attracted by the terms, and the scheme will run, on an experimental 5.55, for three a premium of 3 per cent on the 80 per cent of each loan that it

It will cover pattnerships and will guarantee. The bank will for Small Industries in Rural co-operatives as well as companies in the manufacturing will negotiate the terms for Services Commission's comand construction industries. But some service businesses such as

for the size of businesses eligible to raise loans, which Covernment may decide that a limit will not be necessary since large companies would £2m annual budget. The Government will charge

a premium of 3 per cent on the more with other Government 80 per cent of each loan that it to seven years. excluded. It is not yet clear industry Minister responsible prise trusts.

whether a top limit will be set for small businesses, announced yesterday that the Government is to provide an extra £1m a will range up to £75,000. The year for the Industry's Department's small business counsel-ling service. It already has a The service is to co-operate

agencies, including the Council for Small Industries in Rural each loan which will be for two munity enterprise programme, and with private sector chambanking, and insurance will be . Mr. John MacGregor, junior bers of commerce and enter-

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# Ford GIVES You Management of the Control of the Con

And it doesn't cost you a penny. For example, we recently built masses of extra equipment into most of our cars, without adding a penny to our prices. In fact, some prices actually came down!

What's more, last December we introduced the Fiesta Popular for just £2849\* — at that price astonishing value. Then, just two weeks later, motoring journalists from 16 countries voted the new Ford Escort 'Car of the Year 1981'. A major factor in the decision was the Escort's value for

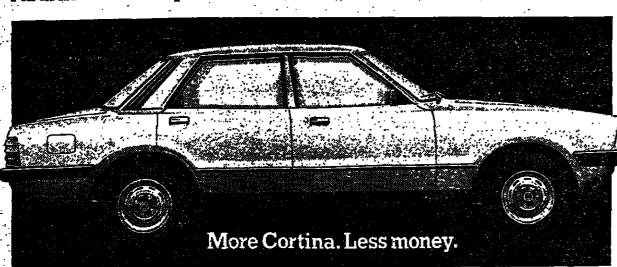
money. So now, more than ever, you can pick any Ford you like and compare it with its competitors: you'll find that Ford is better value.

Take a look at some of the new equipment we've built into Fiestas, Cortinas, Capris and Granadas.

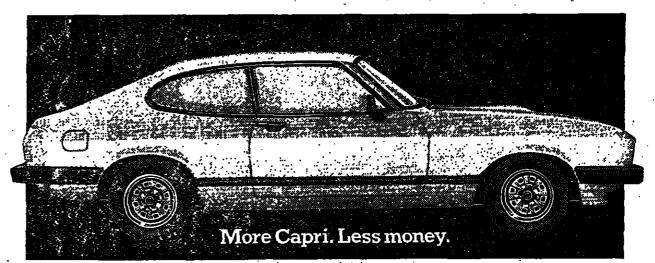
Then call in on your Ford dealer for full details. He'll tell you all about after sales service and Extra Cover, our optional warranty plan – just two more features that will make you glad you chose Ford.



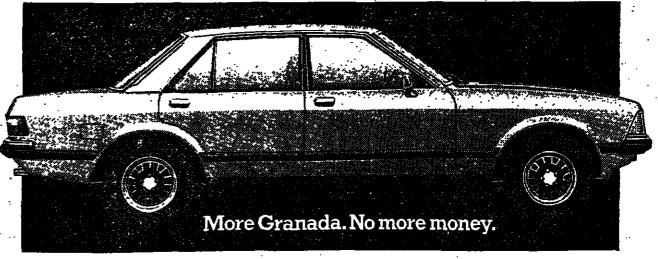
Fiesta L from £3537.\* The Fiesta, one of the most advanced cars in Britain, is now one of the best equipped too. On the Fiesta L we've added bodyside moulding, tailgate turn lock, head restraints, centre console and clock, carpeted rear package tray, load compartment carpet and MW/LW push button radio. All at no increase in price.



Cortina L from £4052\* Almost unbelievably, the Cortinas have been given extra equipment and some a cut in price. The Cortina L is down by £150, the Cortina saloon by £106 and the GL is down by £55 — the estate versions are reduced by the same amounts. Extra equipment? Well, for example, the L gets a passenger door mirror, bodyside moulding, York trim from the GL, a class higher, head restraints, rear centre arm rest on the saloon, trip recorder and quartz clock.



Capri L from £4243.\* Some Capri prices are down. The L models by £32. The GL illustrated by £32 to £4855\* for the 1.6 litre model. The S by £32 to £5783\* for the 2 litre model. All have improved specifications. For example the GL now has a MW/LW/VHF radio, opening rear quarter vents, front centre armrest and glove box, tinted glass and a new cut pile carpet!



Granada L from £6179.\* The Granada range includes 2.0, 2.3 and 2.8 litre petrol models — cars you can drive all day without fatigue. Extra equipment has been added with no price increase. The Granada L for example has a remote controlled driver's mirror, front centre armrest and glove box, crushed velour upholstery from the GL, cigar lighter for rear seat passengers and front seat valances.

Ford gives you more.



Food and drink retailing: price vs. value

## Retail majors accused of 'marketing myopia

switched Its £8m advertising account to one of London's and most aggressive agencies, Grandfield Rork Collins, has fuelled speculation that Tesco is plotting renewal of the High Street grocery price war it launched in June, 1977, with Operation Checkout - a milestone, by any measure, for its ingenuity, timing and scale.

But speculation that the High Street multiples are about to reassert their obsession with the price factor, almost to the exclusion of anything else, is not only premature but goes almost entirely against the grain of a significant report on food and drink retailing published this week: British Food Trading Profile, from Halliday Associates.

Its primary subject is the retail trade, but it will probably be required reading for anyone concerned with the marketing of food and drink products.

To take the apparently-minor but in fact significant issue of retailer advertising, the report says that for retailers to devote the vast bulk of their increased advertising expenditure to selling price cuts and price promo-tions during a period of recession (1973-76) was understandable and partly justified.

"To do so during a recession to the exclusion of all other themes is shortsighted. To continue to do so during a period of economic recovery and of growing real disposable consumer incomes is marketing myopia of the worst kind.

"Yet, through most of 1979 and well into 1980, boring, uninteresting, me-too advertising announcing price cuts on a range of products (continued) to dominate food retailer adver-

Halliday, this will undoubtedly change, so that "not only the

and ask for

Freefone 888: TELECOM

product range, availability, specialities and culinary exper-

freshness of food but store market," he maintains, "on elsewhere in the report, is the product range outside food ambiance, convenience, service, which more research skill, effort jargon for "store image," and But he says he can think of and money is lavished than on food and drink marketing. Yet, tise will be rediscovered as so complex is this area, that no elements which attract house research exists to monitor, in wives (and their husbands) to some detail, both consumer food and drink buying." The crux, says Halliday, is Just about everywhere, says that the quantity of food which Mr. van Mesdag, food trading is

> Martin van Mesdag (left), whose firm Halliday Associates publishes British Food Trading Profile this week, is consultant who advises clients on policy, planning, business development and marketing. He is vice-chair-

man of the Institute of Mar-

keting, and represents the UK

on the European Marketing

British Food Trading Profile is based on Halliday's own extensive research, plus the findings of more than 70. statistical and research surveys and 150 interviews with government agencies. searchers, trade and industry organisations and individual companies.

people in Britain buy will not increase, no matter by how the notion that the value of average gross margins are food (and food-connected services) can be increased, will slowly gain acceptance.

themselves are frequently badly informed about their own importantly, to react to) new opportunities, and why com-petition among food traders tends to be imitative rather than innovative."

dynamic and highly competitive, though there is possibly no other developed country where lower than in Britain.

He says that apart from the uniquely British freezer centre, In his introduction, Halliday's together with the limited line Martin van Mesdag maintains discount store, the convenience that food and drink traders store, the health food store and one or two other newcomers to the food retailing scene, Britain trading environment — the has not been over-endowed with reason, he believes, why they new food or drink retailing are "slow to spot (and, more formulae. "However, as retailers become aware of the opportunities of market segmentation, more new formulae

the food retailer who neglets at least four other growth to build one does so at his peril: strategies for the food and "I should not be surprised,"

he says, "if a major reason for ing the emphasis to products International's unsatisfactory with a higher-than-average performance in recent years apart from finding itself with too many small stores—is the trouble it appears to be having in making up its mind what kind of face it wants to present." (Conversely, he is "struck dumb with admiration " for the achievements of Marks and Spencer on this front.)

In what specific respects has food retailing failed adequately to service consumer needs? he asks. He says there are qualitative aspects to food retail marketing, which can be grouped under two broad head-

 Market segmentation—the idea of gearing product range, store ambiance, merchandising and store image to an identified set of consumers or to a specific set of consumer needs or desires. "No longer can a single food retailer be all things to all men. The need, unambiguously, to make a choice as to the specific market segment one wants to serve is growing more compelling by the day," he says.

 Merchandising and creation store ambiance-good merchandising of food and drink goes beyond the construction of mountains of cases of canned beans, he says. It is the presentation of products in a 'habitat' that comes as closely as possible to the enjoyment

He refers to a suggestion by the Institute of Grocery Distriping fills social needs and might bution last year that a food retailer's business can only grow: (1) via acquisition of ands to be imitative rather will emerge." other food retail businesses; (2) Halliday Associates, Stanuay, an innovative." Development of a "store at the expense of other similar Essex, CO3 5LJ. Price: £125 "There is no sector of the formula," Mr. van Mesdag says businesses; (3) by broadening plus VAT.

But he says he can think of drinks business. First, by shiftadded value. Second, by shifting emphasis from big volume products to growing volume products. Third, by both deepening and narrowing existing product ranges. Four, by selling food and drink (and food-and-drinklinked services) to compete with

Having criticised the food retail trade for its preoccupation with selling down to price rather than up to value. he says he must point to its operating efficiency.

those currently sold outside the

retail sector (i.e., take-aways,

wine bars, ice cream parlours).

What of the future? The next decade, he says, is when the extrapolists will burn their fingers, for while they would calculate that by the end of that period, a total of around 1,000 **IIK** superstores and hypermarkets will between them account for most of the food trade (and much else besides). he thinks their number unlikely to grow to more than 600-700 with anything significantly more than a proportionate increase in their share of food and drink sales volume.

As for "armchair shopping using home-based TV screens and a computer keyboard to punch out orders, he doubts that even 1990 will see its widespread application - "firstly, because nobody has found a derived from eating or drinking satisfactory answer to getting the goods home without leaving the armchair: secondly, shop even, during the 1980s, become

enjoyable." British Food Trading Profile

#### U.S. ACQUISITION REPORT DENIED

## 'No change' says Saatchi

BEMUSED BY the lastest swell of speculation over its acquisition plans, Saatchi & Saatchiwhose advertising campaign helped vote the Tories into office at the last general electiondescribes as "pure mythology" the latest forecast of its plans for expansion into the bitterlycontested U.S. advertising market

In its recently-published nnual report, Saatchi said that its projected move into the U.S. remained a long-term objective. But it was at pains yesterday

to pour cold water on reports of a "rift" between itself and the U.S.-based Compton Advertising, which holds a 19.95 per cent stake in Saatchi & Saatchi Compton Ltd. It has been further speculated that Compton is negotiating to buy the London-based KMP; that Seatchi is on the brink of marriage with the U.S.-based Doyle Dane Bernbach; and that

In December, Saatchi's agreed it had been interested in a U.S. three McCann operating com-acquisition for some time (the panies, McCann Erickson. group is cash-rich), and said it Harrison McCann and had spent much time and Universal McCann, Miss Burdus patience identifying those companies with which it most Erickson wished to work.

McCann.

But it said it was determined

Ltcetera

not to be rushed, even by financial advisers insisting that because of the strength of the pound, this was the time to buy. "Taking a ten-year view," said Saatchi's, "it is the size and stature of the company and the well-being of employees that counts most which is why we have held off from a U.S.

acquisition, preferring to husband our resources." "Nothing has changed," it

said yesterday. Meantime, at one of Saatchi's has taken over the chairmanship of Harrison McCann from Doyle Dane Bernbach; and that Ann Burdus, who as chairman Saatchi is also hoping to of the McCann Group in acquire an agency in Australia. London had automatically held the title of chairman of the

remains chairman of McCann-

Mr. Bazeley was previously account

vice-chairman of McCam-Erickson, with particular re-sponsibility for clients such as the Milk Marketing Board, Prestige, Coca-Cola, Gillette Kodak and the Eggs Authority. He was transferred to

Harrison McCann at the end of 1979, when according to Harrison yesterday—it had run into " considerable management difficulties" and billings had fallen to a going annual rate of £4m-£5m.

Some £8m worth of business previously associated with him "elected to transfer into Harrison McCann," Harrison said yesterday—which to-gether with new business successes such as Thorn Gas and Western Airlines saw Harrison's

1980 billings at £16m. "It is on this consolidated main London rivals, the base," Harrison says enigmatic-McCann Group, Ron Bazeley ally, "that Ron Bazeley ally, "that Ron Bazeley assumes the chairmanship at a time when the agency now begins to see its further develop

> Burdus was Miss Manchester yesterday. D'ARCY-MACMANUS & Masius has formed its own direct response unit to handle work for existing and potential

f McCann- clients. The unit has produced Universal a campaign for J. A. Rennell, a recently - acquired jewellery

Dear Por

#### TOBACCO MARKET AFTER THE BUDGET

## Renewal of hostilities

BY DAVID CHURCHILL

14p per packet of 20 king size duty increase will substantially ally as the "economy" section depress demand in the next few of the king size market. months-probably by as much as 15 per cent in the short term.

Although some of this demand will undoubtedly revive, the tobacco companies are too realistic to suppose that sales. long-term decline in cigarette sales—down by 2½ per Benson and Hedges Special year of fierce price cent last year—is likely to be Filter has maintained its premdo to their profits.

The inevitable response will be to intensify the price-cutting special promotions which have characterised the tobacco

market over the past year. When the market as a whole is declining, companies are only too well aware that volume sales can only be maintained by aggressive marketing. But they are also well aware that in a bitterly contested market. Such realism led to the cessation of hostilities in the summer of 1979, after the fierce price war the previous year.

But by the spring of last year, the fighting had begun again, largely as a result of the slump in sales brought about by the recession, the extra duty introduced in last year's Budget and—although the tobacco com-panies would be loath to admit it-from the effects of the antismoking lobby's vigorous campaigning.

In the previous price war, the main weapon used was a system known as "matched dealing" whereby retailers and manufacturers would each share the cost of the price cut. This has the advantage enabling manufacturers spread price cuts more widely and over a longer period.

Imperial Tobacco also used the controversial "Spot Cash" instant lottery promotion scheme that appeared to have some success before becoming bogged down in wrangling as to its legality.

Over the past year, however, the main form of activity has been manufacturers' price cuts on new brands.

Last year was one of the most active ever for new brand launches as the tobacco companies endeavoured to boost volume sales through luring smokers to "new" brands with introductory price offers.
Imperial—through its John
Player and W. D. and H. O. Wills

aggressive new brand launches largely as a result of a slipping argety as a result of a shipping market share.

Its share had slipped from around 55 per cent in 1979 to about 51 per cent by early 1980, forcing it to engage in furious promotional activity through new hands and heart through new hands and beautiful to the stands are stands and beautiful to the stands and beautiful to the stands are stands and beautiful to the stands are stands and beautiful to the stands are stands and stands are stands are stands and stands are stands

subsidiaries—led the way on

price cuts. Consequently, Imperial launched the John Player Special, Lambert & Butler and Vanguard brands among others, while Gallaher launched Sovereign King Size, BAT launched du Maurier and Kent low tar; and Rothmans brought a luxury length Peter Stuyvesant.

The result of this activity was for Imperial to regain most of its lost market share (it now has about 54 per cent of the total market, with about 30 per cent for Gallaher and 14 per cent for Rothmans) as well as for a two-tier price structure to emerge in the king size sector. King size sales now account for some 70 per cent of the total.

At the top end of the king size market were established brands like Gallaher's Benson and Hedges Special Filter (the top selling cigarette in the country). John Player King Size and Embassy Number 1, and Rothmans King Size selling at around 77p-78p for 20 at any or the country prices.

But in order to compete on

THE cigarette price war is all price, new brands with less ium position but the lowerset to flare again following the expensive tobacco and packag- priced John Player Special — stiff duty increases announced ing materials were put on the which was only launched in Tuesday's Budget. The in- market at about 4p cheaper (in nationally last autumn - has dustry has no doubts that the some cases more) to establish rocketed to No. 2 in the league what is now known euphimistic- table (although largely at the

> The effect of this new two-tier brands in the top ten cigarette

expense of its John Player King Size brand):

The tobacco industry's fear in price level was to double (from the wake of the Budget, how-3 to 6) the number of ever, is that the sharp price in-"economy" priced king sized creases will make smokers even more price sensitive. And the major companies are only too Gallaher's normal priced aware of the harm that another Benson and Hedges Special year of fierce price-cutting will

## he gift A Crossfine writing instrument, tne aennitive ousiness gift. Agiftthat carries with it the prestige and reputation to match your logostyle. Every Crosswritinginstrumentis mechanically guaranteed for life, send your corporatelogo and let Cross showyou just how good it can look. ATCROSS STO. CONCORDE STRE

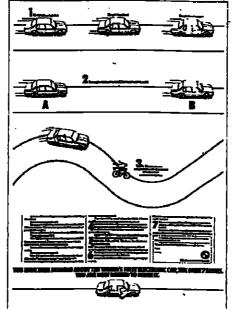


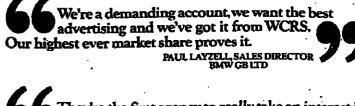




"Dear Portland" and Not-so-dear Portland.







Wight Collins Rutherford Scott made a major contribution to our achievement of a 98%

load factor in our first year.

They're the first agency to really take an interest in my business, instead of just doing clever dvertising.

KEITH FREEDMAN PARTNER
BRUTUS JEANS

In a year when it responsible and unfounded rumours could have crippled the brand, this advertising not only held Bergasol's market share, but increased it.

RON HANLON, MARKETING SALES MANAGER CHEEARO PROPRIETARIES

Last year Candy concentrated its advertising into just two areas. The effect on sales was so convincing you can be sure we'll be in more areas in 1981!

KEITH BURGESS, MANAGING DIRECTOR CANDY DOMESTIC APPLIANCES

With the help of WCRS the true mowing superiority of Concorde was dramatically communicated. As a result its sales volume rose 28% to consolidate its position as market leader.

PETER MOSTYN, MARKETING DIRECTOR BIRMID QUALCAST

In March'79 Campaign described our new agency as 'the most exciting opportunity in the advertising industry since the formation of Saatchi and Saatchi.

It was (and still is) the only agency with three creative partners out of four. Was that good or bad?

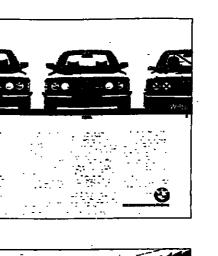
Would we produce 'clever' ads which wouldn't work?

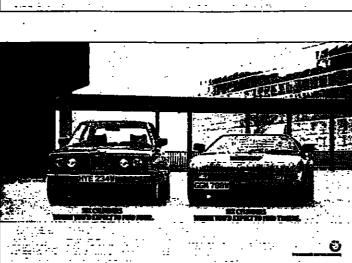
Well, you can see what some of our clients think two years, 30 people and nearly £10m of billing later.

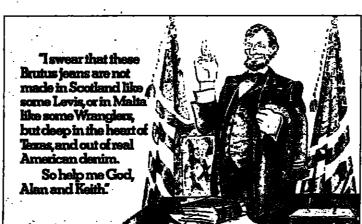
And we'd welcome the chance to show you more.

If you'd like to see our brochure or come and meet us ring 434-3961 and ask for Robin Wight, Ron Collins, Andrew Rutherford or Peter Scott.

WIGHT COLLINS RUTHERFORD SCOTT LIMITED REGENT HOUSE 46/52 BREWER STREET LONDON WIR 3HN · 01-434 3961







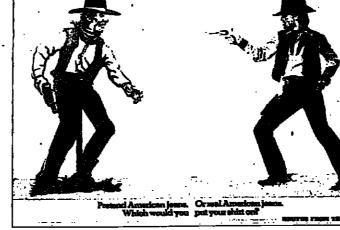




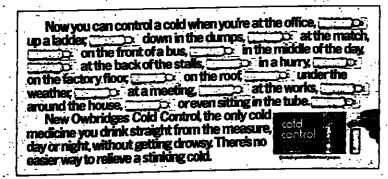


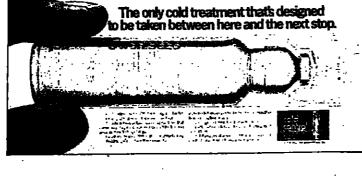


















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#### Howe has united the nationagainst him'

By John Hunt, Parifamentary Correspondent

MPs WERE yesterday treated to the curious and almost forgotten spectacle of a Con-serative Minister having praises lavished on him from

hoth sides of the House.

Mr. Peter Walker, Minister of Agriculture, was at the centre of this heartwarming. centre of this heartwarming scene—having just returned from Brussels, where he had been up till 3.30 am defending the rights of British fishermen against the machinations of those dreadful foreigners in the EEC. Even Mr. Roy Mason, Labour's agricultural spokesman, had to admit that he was "four sonare" helind was "four square" behind Mr. Walker's attempts to

reach a settlement. The honeymoon was shortlived, however, as the House moved on to continue the debate on the Budget. This had been preceded by

ominous noises outside the Commons with Mr. Peter Tapseli (C., Horncastle), callin gfor the Chancellor's resignation, and Mr. Norman St. John-Stevas, the recently sacked Leader of the House, suggesting that the Cabinet was so divided over the Budget that a few resignations might be in order there

This unprecedented hosing for the Chancellor's tility from the Tory back-benches did not make the task any easier for Mr. Peter Labour's Shadow Chancellor, who spearheaded the Opposition attack on the controversial Budget. After all, if leading Tories were damning it in such strong terms, what was there left for him to say?

Mr. Shore advanced the ironic argument that the Chancellor had at last succeeded in uniting the nation. The unions and the CBI, the taxpayer and the housewife, The Times and the Sun—all were at one in total hostility to what Sir Geoffrey Howe had done.

Witheringly he observed that in the midst of the worst recession in 50 years the public sector borrowing requirement was to be mas-sively reduced, resulting in a further decline in growth and eausing unemployment to rise to 3m between now and the next Budget.

Tories sat glum-faced as he said that only a small group of economic Ministers in the Cabinet agreed with the strategy -- former Prime Heath the TUC or CBL

Mr. Shore was on more when he advocated his own answer to Britain's economic problems. This turned out to be a sort of miniversion of Roosevelt's New Deal with massive capital spending programmes on the part of the nationalised industries.

What effect would all this have on the PSBR? "I don't give a fig for the Chancellor's monetary and PSBR targets," an unrepentant Mr. Shore told Tory critics who intervened. In any case, he maintained, if the economic policy was geared to expansion, then growth would generate revenue and the PSBR would he no higher as a proportion of gross national product.

There were resounding cheers as Mr. Leon Brittan, Chief Secretary to the Treasury, rose to defend the Chancellor's package. The only trouble was that the cheers were coming from Labour MPs, who seemed to feel that anyone was preferable to Sir Geoffrey at the

despatch box. But it soon became obvi-ous that Mr. Brittan-facing his first major debate since taking over the jeb-had found more of a cutting edge than Sir Geoffrey. He tore into Mr. Shore and

denounced his alternative programme as a "recipe for firstal irresponsibility, certain to lead to massive inflation, which would make our present levels of unemployment seem piddling."

Although he had the difficult task of arguing that the Budget was not deflationary, to kindle some spark of en-thusiasm in the dispirited Tories, and there was a modest cheer as he sat down. Certainly he is a man to watch, particularly as many pundits are predicting that a major vacancy is likely to occur at 11, Lowning Street

#### Peterborough homes for sale at 1980 prices

in the next year or so-

PETERBOROUGH Development Corporation is offering its 7,600 tenants the change to buy their homes at last year's prices.

"They can buy at the valuation of last August previded they make an approach before the end of the month," it said yetserday.

Tenants have been given a further incentive to buy. The corporation has just announced a 33 per cent rent increase from next month, ally get what you want."

# Shore attacks Howe plans as 'a Budget for decline'

FURTHER MEASURES to improve the competitiveness of British industry and expand the economy were demanded by Mr. Peter Shore, Labour's Shadow Chancellor, in the Com-mons last night in an all-out attack on the Budget.

His recipe for stimulating export-led and investment-led growth included a higher level of public expenditure and an immediate reduction of Minimum Lending Rate to 10 per cent coupued with an indication of further progress to single

To Labour cheers, Mr. Shore scornfully dismissed the pro-posals announced by Sir Geof-frey Howe on Tuesday as "a Budget for unemployment and a Budget for the accelerated decline of the industry and economy of this country." Mr. Shore attributed the fact

that Britain had suffered more from the world recession than other comparable countries to the past two years of "Thatcherism " which he defines as " blinkered and agressive mone-

Turning his fire on Sir Geof-frey he declared: "The Chan-cellor has presided over not just a short term setback to be followed by a revival in employment and output but a continual and massive decline in the prosperity of this

How could the Chancellor reduce the strength of the and Prime Minister justify the pound.

continuation of their current policies against such a back-ground? Mr. Shore demanded. Amia further Labour cheers he expressed the fervent hope that the nation had now experienced the last Budget to he presented by Sir Geoffrey and the wayward mistress at Number 10."

Mr. Shore scoffed at Government claims that it would be ruinous to undertake a change of course, in its economic policy. He insisted: "The palin truth is that it is ruinous already and the ruin will only increase if present policies continue." Mr. Shore forecast that with-

out a change fro mthe deflationary measures announced in the Budget, unemployment would rise to close to 3m in the course of the next 12 months. Other measures urged by Mr. Shore to improve the competitiveness of British industry

included removal of the heavy

oil duty, a reduction in the National Insurance Surcharge of about one third and the reinstatement of the regional employment premium for manufacturing industry. Mr. Shore argued that the further reduction of MLR to. 10 per cent, which he had proposed, would help to bring down the sterling exchange rate.



Shore: Government's economic policy is ruinous

an exchange rate which in no way reflects the competitiveness of our manufacturing industry and as Mr. oJhn Biffen, Trade Secretary, has recognised, it inflicts great damage upon our ...Mr. Leon Brittan, Chief Sec-

accused Mr. Shore of fiscal irresponsibility. England should intervene to Amid Tory cheers, he con-

tended that reflationary medium term strategy of £7.5bn. and said it was disappointing Mr. Edward Du Cann (C., measures called for by the Viewed against these figures— that the effects of the recession Taunton), chairman of the all



fiscal irresponsibility

We cannot supinely accept Shadow Chancellor would lead would in turn make the present levels of unemployment seem piddling." Mr. Brittan denied that the Budget was "massively defla-

tionary. retary to the Treasury, bluntly Sector Borrowing Requirement would prevent inflation rising. for the current year was He made it clear the Governexpected to reach £14bn comment is already searching for pared with a forecast in his more cuts in public expenditure



an dthe decision to aim for a to massive inflation which PSBR of some £10.5hn in 1981-82 -he did not believe that the measures announced by the Chancellor could be remotely described as deflationary. Mr. Brittan maintained that

the budget measures would not He stressed that the Public deflate the economy further but

possible to secure all the reduction in spending which had been envisaged last year. Mr. Brittan emphasised: "So

we shall be having a very careful look in the coming annual survey to consider whether more can be done to offset the increases that have occurred and make more pro-gress towards our original targets over the next three

Mr. Brittan acknowledged the summer of 1970.

latest increase in duty than the average price in the EEC. Mr. Brittan rejected suggestions that British telecom and other nationalised cor-porations should be allowed to raise money for investment by securing loans from the open market.

Apart from the fact that such loans would still add to the public sector borrowing re-quirement they would also have the effect of crowding out private sector firms seeking funds for investment

and other factors meant that party Treasury Committee and even in 1983-84 it would not be of the Conserative backbench 1922 Committee, criticised the Government's failure to control public expenditure but did not make any specific criticisms of

the Budget's measures. "Like the Budget or louthe it, none can deny the very remarkable courage of the Chancellor and I wish him

every success," he said. Mr. Du Cann was disap-pointed that the Chancellor did not refer to the report of the

- Treasury Select Committee on the concern aroused by the in-erease in the petrol duty but "Public expenditure has not pointed out that even at the been controlled by the Govern-new rate the tax burden on a ment in the past," he said, gallon would actually be no "That is why the Chancellar is higher in real terms than in in such difficulty and why he

is having to scrape the barrel It was also the case that to raise revenue, petrol prices in Britain would "I don't envy h not be any higher after the But I believe we s "I don't envy him in his task, But I believe we should support him strongly because I believe he has no alternative."

He urged the Government to "get a grip" on the nationalised industries. The money that the Government was giving to British Steel was.
"a disgrace." It would have
been wiser to have appointed
a Receiver in this case some

time ago.

Mr. Du Cann said the Govern ment should sell off everything it could in the nationalised industries and reduce the more difficult areas of these industries to more manageable

MacGregor

warns MPs

of review :

to BSC plan

THE BRITISH Steel Corpora-

tion is already conducting a

## Jenkin confirms statutory increase only on benefits

pared to relax its tight monetary constraints even to allow pensioners an extra Christmas gift this year. Mr. Patrick with prices or any other index. Government could afford, Jenkin, Secretary of State for This lack of increase in the although still claiming that the Social Services, announced yesterday that the annual Christmas bonus will remain at £10 this year—the same level as when it was first in-troduced in 1972 by the Heath

The Government, under the Pensioners Payment and Social Security Act 1979, has a legal obligation to pay a bonus every Christmas. This forma-

EEC 'out

of touch' on

THE EEC Commission was

totally out of touch with the

current fisheries negotiations, Mr. Peter Walker, Fisheries Minister, told the Commons

In a statement on his return

difficulties in several spheres.

It was possible to reconcile the

genuine requirements of the

French industry with those of the British industry.

for holding things up: "I am only sorry that the proposals

suddenly coming forward from

been so out of touch with the

"The Council had before it

new Commission proposals on

various issues including access.

On this aspect they were very

disappointing. I made it quite clear that they were wholly

Mr. Walker was referring to

proposals to give fishermen

access to waters within 12 miles

Britain has long pressed for

virtually exclusive rights in this

belt but has in recent years

indicated it would recognise the

historic rights of fishermen,

from France, for example, who

have fished for generations along the British coastline, and

whose communities depend on

In the current Anglo-French

squabbling over which fisher-

men have genuine historic rights and which are new-

comers trying to establish them-

selves quickly before the rules are fixed, the British claim the

Commission has sided with the

It is even whispered in

Whitehall that in the absence of the Commission President,

Commission meeting when the

proposals were approved, French Commissioners ran

rings around their British colleagues.

Mr. Roy Mason, for the Opposition, was not interested

in such subtleties. As is usual in fisheries debates he congratu-

lated the Minister on making no

concessions and promised him Labour's "full square backing"

as long as he held out for totally exclusive rights in the 12 mile belt and refused to

Mr. Walker could not give

assurances that the five-year

struggle towards a common

fisheries policy would be resolved before the end of this

year. But he added: "We

managed to agree on lamb-it

shows that with patience and

make any trade offs.

of the British coastline.

He blamed the Commission

yesterday.

situation.

unacceptable."

these activities.

Most benefits have to be relised a previous ad hoc benefit. the expected 10 per cent rise But although the Act makes in prices to November, because

to increase the level from £10, by the same amount. there is no obligation to make any revaluation—either in line

This lack of increase in the example of the Government's the £250m help for fuel allow to restore their value to the But Mr. Jenkin replied: "The determination in pursuing its tight mometary constraints in pursuing more determination in pursuing its access, would protect the most level when the Government has demonstrated, even in this difficult year, a wilnerable members of the comnot paying more than the statutory increase in social security benefits.

valued in line with prices, but this year the increase is limited few crumbs for the least the Exchequer having kept tax to 9 per cent, one point below privileged in society."

all-party committee yesterday.

BY MARGARET VAN HATTEM, LOBBY STAFF

Fisheries and Food, before an risen only 6 per cent.

BY JOHN LLOYD, LABOUR CORRESPONDENT

a squeeze, he said. Indeed, price sion, he indicated he would

themselves had recently made ment has argued that high EEC substantial progress in bilateral farm prices, in stimulating criminated against British production taking the same attitude—West substantial progress in bilateral farm prices, in stimulating criminated against British production taking the same attitude—West since he considered they disconstitute for making farmers bear some valued green currencies were of the cost of surplus production taking the same attitude—West since he considered they disconstitute for making farmers bear some valued green currencies were of the cost of surplus production taking the same attitude—West since he considered they disconstitute for making farmers bear some valued green currencies were of the cost of surplus production taking the same attitude—West since he considered they disconstitute for making farmers bear some valued green currencies.

ness to topple old certainties was presented to the sub-com-

and air new ideas.

The powerful TUC-Labour mittee and discussed at vester-day's meeting. It is a radical

Mr. Jenkin admitted that the increases were all that the

munity in these difficult times. But Mr. Jeff Rooker from the Opposition Front Bench claimed receiving a pension would now

"has had to grub around for a

Price rises in the 6 to 12 per reaction to the package of pro- tax imports and subsidise cent bracket could be considered posals from the EEC Commise exports.

the Commission should have INDUSTRIAL democracy is by the committee's joint secre- management, is strong. How- remarkably similar."

once more being given serious taries-Mr. Geoff Bish, head of ever, the report notes that its

thought by the labour move—the party's research department influence on corporate strategy ment. At this stage, at least and Mr. David Lea, assistant has been "marginal" and on

document in two key respects.

that "the crucial issue for industrial democracy is the

First, the document stresses

mittee and discussed at yester- both."

THE GOVERNMENT is not pre- provision for the Government last year's increase overpaid with the greater of earnings and prices increases the pension for attacked by Mr. Paul Dean (C., International Year for Disabled a married couple would have North Somerset) for failing to People that countless thousands a married couple would have risen to £49.40, instead of £47.35. Child benefits would have to be increased by 95p instead of 50p

> Mr. Rooker also stated that a woman aged between 60 and 65 that it was clear that Mr. Jenkin get £1.55 a week above the tax threshold—the Chancellor of Under Labour legislation, means she would be paying 50p which revalued pensions in line tax on her basic old age pension.

> > British food prices are being

Mr. Walker pointed out that

"indirect, extremely weak, or

the

emphasises, at some length, that

public ownership and workers'

democracy, or even workers'

"Even with quite different.

document

Outlining the Government's kept artificially high in order to

oppose certain of the proposals other EEC countries with under-

it appears there is a willing- secretary of the TUC-which national and sectoral planning gramme of new public owner-

industrial democracy is the control, are not necessarily actual structure of power within fellows. "Experience seems to

the enterprise"-and that indicate that ownership is not

within the enterprise, workers necessarily the most critical

should intervene to secure factor determining the degree greater democracy at every or form of industrial level from shop floor to board-democracy," it says.

The first attempt at laying Trade union leverage on forms of ownership, it seems, such a radical programme: and the foundations of this prowages and conditions, and to the structure of authority it is clear we have yet to gramme of action was a paper some extent on day-to-day within enterprises can remain succeed in this."

Industrial democracy aired by TUC and Labour

Second

The Government was also it was an injustice "in this help to some of the most vulnerable sections of the community.

Mr. David Ennals, former Labour Social Services Secretary, said the Budget had been "mean and spiteful" where the

Mr. Alf Morris, former Minister for the Disabled, said

green revaluation and the

would be substantially worse

The Commission's proposals

with the present extensive pro-

Party . . . the bulk of manufacturing industry—to say nothing of the retail, distri-

butive and financial sectors—is

likely to remain in the private sector for some considerable

"We also have to accept.

moreover, that a necessary con-

dition of any further advance

on this front will be to win the

support of working people for

Election.

" co-responsibility "

various

Germany had categorically for an average 7.5 per cent price refused to revalue, since this rise were generally considered

off, he said.

assist families or give care and of people, the long-term sick, help to some of the most vulner- the disabled and those living on invalidity benefits should be suffering a cut in living standards in real terms." He attacked the way Mr.

Jenkin increased the mobility allowance by 14 per cent. He said that Labour upped the allowance by 150 per cent in three years.

Mr. Morris also urged the Government to take action to ease the VAT burden on volun-

by Sir Geoffrey Howe, the

Mr. Walker said some restraint

behind the rise in imput costs.

But farm price rises were

The report sees two broad

For the board, it proposes

Details Page 21

obligations and aims inherent

legally-backed vetoing management's plans

making processes.

The document continues: areas for advance—on the

"We have to accept that, even levels of day to-day manage-

ship proposed by the Labour In the first it suggests options

Secretary, in July. Walker considers larger EEC farm price increases

THE GOVERNMENT is adopting a more lenient attitude to Britain's contributions to it in particular.

By Margaret Van Hattem, Lobby Staff

By Margaret Van Hattem, Lobby Staff

By Margaret Van Hattem, Lobby Staff

THE GOVERNMENT is adopting a more lenient attitude to Britain's contributions to it in proposed 5 per cent revaluation of the green pound, the artificial exchange rate used to constantially below the Britain had devised exchange rate used to constantially below the Britain had devised exchange rate used to constantially below the Britain had devised exchange rate used to constraint on policy pointing out that the year's price review. This cost of farmer's imputs, from such as energy and fertilizer, the foreign exchanges has left the green pound substantially indicated they wanted higher rises.

By Margaret Van Hattem, Lobby Staff

THE GOVERNMENT is adoption of the problems in Britain had of the problems in Britain had ont comount of the green pound, the artificial exchange rate used to constraint on price rises and the other eight countries had all indicated they wanted higher rises.

Their inflation rates were substantially below the Britain had divised caution on price rises espective. He said there were areas the other eight countries had all indicated they wanted higher rises.

The deaded Britain had of the problems in Britain had of the green pound, the artificial exchange rate used to constraint on price rises and the particular rate used to constraint on price rises.

The also planned to oppose the tion through extra price rises.

There inflation rates were substantially below the Britain had odvised caution on price rises of the plan decause of changes in the rate and early in the other eight countries had all indicated they wanted higher rises.

The also planned to oppose the tion through extra price rises.

The also planned to oppose the tion through extra price rises.

The also planned to oppose the tion through extra price rises.

The also planned to oppose the tion through extra price rises. He said there were areas (Lab., Durham) to reconcile his be decided there was no future

taxes on surplus production. In Chancellor of the Exchequer, in short-term survival plan for real terms British farmers his Budget speech yesterday, BSC was under way the corpora-Mr. Walker said some restraint tion would begin developing a should be observed in farm longer-term 5-to-10-year plan. price rises. They should lag Tentative thinking about how to achieve this was in progress and the plan would be discussed

surplus production, were a ducers. This was the case in the would cut its farmers' prices, too low, said Mr. Walker. West lagging well behind increases direct cause of the Community's dairy sector, which produces the while the Benelux countries Germany, which bears most of in industry, and were due for budgetary problems in general, biggest EEC surpluses. Talks continue this week on venture between BSC and a

> BSC's equipment and assets which would be committed to Phoenix 2 were as good as any ment and of company boards. and "the assets of some wouldbe partners do not come up to the same standard."

of joint control committees, self-management at shop level, and self-management at all either an extension of collectime after the next General tive bargaining, representation on the main policy board, the management's plans by workers, and the development of tripartite or other structures to bring in Government or local authorities to the decision-

was disappointed that the Budget had failed to reduce heavy fuel oil costs. BSC paid more than its Continental competitors for heavy fuel oil, both

## Haughey denies defence accord offer to Britain

Party Liaison Committee is

almost wholly given over to a

detailed consideration of the issue. The sub-committee it has

established-briefed to produce

mendations . . . which should

provide a programme of action

for the next Labour Govern-

ment "—is high-level and

serious.

specific and practical recom-

MR. CHARLES HAUGHEY. the Irish Prime Minister, yesterday moved to quash speculation that he is pre-pared to abandon Ireland's traditional neutrality as a bargaining point in his negotiations with Mrs. Margaret Thatcher over a political solution in Northern Ireland. In a major debate in the Dail (parliament) Mr. Haughey said there are no

negotiations about a defence

pact with Britain or anyone "I wish to state unequivocally that the Government is not discussing or negotiating any kind of secret agreement on defence with Britain or with any other country or group of countries."
Mr. Haughey did, however, hold out the possibility that there could be a future defence agreement in the event that a political solution

is found in Northern Ireland. Mr. Haughey said referring Ulster: "When a satisfactory political solution is arrived at we would, of course, have to review what would be the most apropriate defence arrangements for the island as A second possibility for a

defence pact arises through commitments in Europe. Mr. Haughey said: "The question of our neutrality also arises

in another context, our membership of the European Community . . we are there-fore neither ideologically neutral nor indiffer**ent** politically " In the event, therefore, of

union we would accept the obligations even if these included defence.

the European States being organised into a full political We could not and would

in the achievement of the ideal of European unity." Thus Mr. Haughey did not manage entirely to calm fears that a change in Ireland's neutrality is out of the ques-tion for all time. He did show fairly convincingly that a specific bilateral defence pact over and above internal-security is not part of the joint studies between Britain and Ireland, for the present.

## in Ulster

and commercial sector offered the only secure long-term prospect of lasting employment and stable prosperity, he said.

means that reductions are necessary in social and environmental expenditure as a whole."

acceptable to extend the agree ticularly for Belfast, which cannot be) registered.

terday.

He said that a delay would receive special priority will become eligible for co-sponsoring countries such as rebates and allowances on April Mexico and Austria are due to own summit due in Ottawa on the property of the followances of the figure of t

Rent allowances to rise BY ROBIN PAULEY THE GOVERNMENT has to ensure that tenants with BRITAIN COULD

and allowances payable.

council tenants and rent allow- actual rent and not the ances to private tenants outside a week to £30 from April 1. The payments in London will rise from the present maximum determination you can eventu- of £25 a week to £35.

The limits are being raised

estimated fair rent where the

London will be raised from £23 fair rent has not been (or mittee on Foreign Affairs yes- Mrs. Thatcher.

Britain would back delay on summit BY DAVID TONGE, DIPLOMATIC CORRESPONDENT

pay their rent and has increased the maximum amount of rebates said yesterday.

Housing Minister, in June to discuss international istration may not be prepared development issues "if the to attend as early as June. and allowances payable. In the private sector, allow- price of postponing was ensur- Lord Carrington refused to
The maximum rent rebate to ances will be based on the ing the attendance of the disclose what the Americans United States," Lord Carrington had said on this during his told the Commons Select Com- recent trip to Washington with

support to continue work on the summit. Lord widened the scope of its scheme high rents are not denied full delaying a summit of 20 to 25 But reports from Washington expressed interest in President light of the benefits from the schemes, Mr. world leaders due in Mexico indicate that the new admin. Brezhnev's indications that the indicate that the new admin. Brezhnev's indications that the

He said that a delay would

Carrington also scope of the Helsinki agreement on European security could be extended if the West would respond accordingly.

extended to cover the Atlantic enough.

review of its corporate plan which may result in it withdrawing from some activities. Government approval for the plan was given only last month. Mr. Ian MacGregor, BSC chairman, is keeping the plan under constant review, building up to a full-scale progress report to Sir Keith Joseph, Industry But Mr. MacGregor told the

House of Commons Industry and Trade Committee yesterday that the corporation was already in the process of reassessing at least a couple of pieces of the plan because of changes

new policy with that outlined for parts of the industry.

He told MPs that now the with the Department of Industry in due course.

Phoenix 2 — the projected joint group of private-sector. manufacturers in the engineering steels field—but Mr. MacGregor stressed that BSC would require acceptable terms in any new, joint company.

He defended BSC's competitive pricing policy and said that unless steel plant was running near full capacity it could never be financially viable. He denied that the corporation was using public money to undercut private steel manufacturers, which he accepted could some-times be caught in a hattle between BSC and foreign produ-

Mr. MacGregor told MPs he in terms of price and tax.

## £30m boost for spending

MR. MICHAEL ALISON, Ulster Minister with responsibility for finance, said that expenditure by all Government departments in the province would be £3.25n. "The revised plans for industry, energy, trade and employment programme show an increase in real terms over the levels planned in last year's White Paper of some £30m." A sound private industrial

The priority in these sectors

Substantial He said it would not be would continue, however, parprogrammes

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## Close result likely in water pay vote

BY JOHN LLOYD, LABOUR CORRESPONDENT

A RUSH of regional conferences | leered when he recommended voting on the 12.3 per cent pay its acceptance at a delegates offer points to 32,000 manual meeting in London yesterday. workers in the water industry to a close result when the final tally is made this weekend.

The indications are that

national action will not be called, since union officials have stressed that they would be reluctant to call for stoppages

workers have expressed strong in Thames Water Authority's feelings on the offer, and Mr. Eddie Newall, the chief union negotiator, was jostled and there were no side effects.

A number of officials said that had the branches which mandated yesterday's delegate meetings voted before the Budget, rejection would have been overwhelming.

There is thus a clear danger on the basis of a marginal of unofficial action, if official rejection. But many groups of manual 500 workers remain on strike

Union-the industry's main union-voted yesterday.

The West Midlands voted by 28 delegate votes to 18 to accept, while the London region delegates were split 15 to 15. These two regions account for about half the GMWU's 20,000 members in the industry.

The GMWU's Lancashire with about 1,000 members voted overwhelmingly to reject the offer.

The second largest union in industry, the National

The two largest regions of the Union of Public Employees, also General and Municipal Workers held votes in three regions. In two of these-the north-west and the south-west-the offer was rejected. It was accepted

> Mr. Ron Keating, NUPE's assistant general secretary, said last night: "It's too close to call yet. We shall have to consult with our executives this week-

The votes from all the regions will be known by tomorrow. The trade union side will meet to discuss future action next Thurs-

## Williams defection regretted by APEX

Mr. Roy Grantham, general secretary of the white-collar union APEX, has said the defection of one of his most famous members from the Labour Party is "regrettable." riting in his union's journal, he has paid a tribute to Mrs. Shirley Williams. She is, he writes, "held in high esteem by thousands of our members. Her honesty, frankness and courage are exceptional." Towever, he says only the

Conservative Party will benefit from a split in Labour's Those of us, and we are the great majority, who oppose the pursuit of mone-

tarism by Tories at the expense of our people, and oppose the anti-democratic Left in the Labour Party, will fight for the defeat of both and the restoration of a caring democratic society."

Ford plan lifted FORD MOTOR has withdrawn

reorganisation which would have led 10,600 staff job losses after strike action by foremen. members of the Association of Scientific, Technical and Managerial Staffs.

The company will discuss the all income strategy was not police to ensure comparability. proposals at plant level

## Dockers halt cargo services

BY PAULINE CLARK, LABOUR STAFF

halted for the second successive day yerterday when 1,600 dockers stopped work for 24 hours from midday because of

a pay dispute.

The storpage came shortly after dockers had returned to work after staging a similar lightning strike on Tuesday. It hit cargo handling operations on three big container vessels. a ship carrying Datsun cars and two other big general

dockers Local leaders warned yesterday that the sporadic strikes were likely to continue as they claimed em-ployers refreed to hold further talks over their pay grievances.

cargo vessels.

Talks with employers led by negotiators in the local British such as foremen, checkers and Transport Docks Board ended in deadlock earlier this week held back from taking militant pay claim.

ALL CARGO handling in the when shop stewards in the action because of a "reluctance Port of Southampton was Transport, and General to roc k the boat" while the Workers Union rejected a pay port was fighting to secure a offer worth about 7 per cent healthy competitive position.

He claimed the dockers, with The dockers are demanding a £94-a-week basic wage and an increase—said to be well in excess of the rate of inflation earnings of £6,000 a year, were receiving half the pay of the but the industrial action has other groups, although they had taken employers by surprise done the real work leading to following nearly two years of an increase in tonnage passing peaceful pay negotiations at the

through the port. Southampton is the first Mr. Ritchie Pearce, chairman major port to be hit by indusof the port's shop stewards committee, said last night that an dockers annual wage round early solution to the dispute

Elsewhere, dockers in the He said dockers were angry Port of London are at present about the widening gap between considering a 7 per cent award their earnings and those of with a £10 minimum pay inother cargo handling workers crease for the lowest paid, while in the municipally owned Port clerks over the past two years. of Bristol discussions are con-The dockers had previously tinuing on a dockers 16 per cent tinuing on a dockers 16 per cent

## Shop stewards doubt Linwood 'loss'

looked unlikely.

LINWOOD SHOP stewards claimed yesterday the car plant could have made a profit of £8m to £12m in the current financial revenue over manufacturing of 1980, and in attempting to year rather than the £20m loss in 1980-81, but was not compete with Leyland's special, attributed it by Talbot UK. At a Press conference in

Glasgow the Talbot Action Committee, which is fighting the threatened closure of the Linwood plant in the summer, said the company's bookkeeping methods had enabled it to mask the real financial performance of any plant or department.

stewards says Linwood should have had a surplus of sales of 10 per cent to allow for adds. increased material and other prices, and was charged the full £19m cost of a special sales

"This suggested loss can be because of inadequate policies, until a new model is introduced poor advertising of Linwood there.

April 7,8

A document prepared by the products and bad marketing decisions in a late effort to boost sales during the recession

The stewards, backed by the Scottish TUC and the Transport and General Workers Union, are demanding the Government and the company finance the plant laid at the management door for another one or two years, or

## Wales TUC unveils social contract plan

BY ROBIN REEVES, WELSH CORRESPONDENT

A TENTATIVE plan for a new social contract between trade of a pay policy, the document unions and a future Labour says that exempting incomes Government which would in from an otherwise planned Government, which would include a comprehensive in and social development is comes policy, was unveiled by the Wales TUC in Cardiff sible."

Called the Wales TUC Social Plan-a Bargain it contains a range of proposals for "rebuilding" the welfare state, replacing the Employment Act with an updated version" of the

In arguing for the inclusion only the strongest will survive." aproach to future economic

"There can be no denying that the concept of planning incomes in some democratically controlled way is a fundamentally socialist approach.

"The notion of free, un-Employment Protection Act, and fettered, collective bargaining for a return to direct interven- as the only acceptable method tion in private and public sec- of fixing incomes is taken tor investry to improve the straight from the capitalist management of the economy. rule book which dictates that

1-Establishment of a legal minimum wage of at least two pay policy. plus a progressive income tax scale to ensure that top earnings are no more than four times average earnings.

2—Pay rises would never be less than the increase in the inflation rate. The document says this would encourage the Government to reduce inflation. 3-Establishment of an incomes planning board to remove severe distortions in pay comparability and ensure the over-

**Heathrow** 

weakened by forcing workers, The pay policy advocated employers, or government into has six basic elements: entrenched positions which entrenched positions which would ultimately wreck the

"safety valve" pay rises for improved productivity through new technology or exceptional profitability. 5-Agreement between the trade unions and Labour party on "real and measurable" improvement of the social wage

in the first few years of the

6-Index-linking of pay of key public service workers, such as nurses, firemen and

## **Print unions at BPC** accept 635 job cuts

BY JOHN LLOYD, LABOUR CORRESPONDENT

MR. ROBERT MAXWELL the new chief executive of BPC, has reached agreement with the been agreed is Sun Printers, print unions on 635 redun- Watford one of the country's dancies at five of the group's leading photogravure houses.

10.500 workers is expected by March 18. The negotiations are going on plant by plant between local management and trade union officials, and are then ratified by Mr. Maxwell and the union general secretaries.

Mr. Maxwell has told his plant managers that they must at least break even in the coming year, otherwise the plant will be closed down. Management and national newspapers unions can agree on any level of staff cuts, or other economies, which will return a loss-making plant to break-even or profit.

Mr. Maxwell said last night: "I have told them that there ill be no money for subsidising wages. There will be money available for new investment." He has agreed to the introduction of a 371-hour week

throughout the company, with effect from April 1 this year. The BPC private pension scheme has been retained, though with a shift of contributions from the company to its

beneficiaries, which will save BPC film a year. Mr. Maxwell has undertaken that, when the group resumes the payment of dividends, it will restore the contributions to

previous levels. He said the practice in these negotiations of agreeing savings from the bottom up" was a

Health service computer

INDUSTRIAL action by health gap between their wages and

GOLD FIELDS GROUP

LIBANON GOLD MINING

COMPANY LIMITED

(Incorporated in the Republic of South Africa)

GRANT OF MINING LEASE

application had been made for an additional mining lease in respect of areas totalling approximately 653 hectares

on portions of the farms Libanon 283 I.Q., Elandsfontein

346 I.Q. and Doornkloof 350 I.Q. adjoining the eastern

abovementioned areas, such lease area to be incorporated into and worked conjointly with the company's existing

In the Directors' Report and Chairman's Review for the year ended 30 June 1980, members were informed that

ployees

staff call off action

BY PAULINE CLARK, LABOUR STAFF

service computer staff was sus-

pended yesterday after nearly

two months when employers

undertook to explore ways of

funding a pay increase outside

this year's cash limits on wages. About 1,800 staff in the

National and Local Government

Officers Association have been

involved in a series of one-day

strikes and other industrial

action which, the union says,

seriously rdelayed bill payments

The staff were demanding an

claim is a £500 to £1,000-a-year

close what they

by health authorities.

The largest of the plants at which the redundancies have

The others—Petty and Sons, Leeds, Cromoworks of Nottingamong the rest of the group's ham, Waterlow in Dunstable all contribute to the printing of the TV Times, a contract expected to be signed today.

#### Offer rejected

● The National Graphical Asso ciation, the main print craft union, has rejected the Newspaper Publishers' Association's 8 per cent offer for printers on

Representatives of the union's 4.000-odd members in London and Manchester, at meetings earlier this week, backed last week's rejection of the offer by its national officials.

levy to help pay the £27 a week unemployment benefit to the rising proportion of its member-

The union's journal says unemployment benefit payments are running at the rate of £50,000 a week, and could rise to a total of more than £2m in six months.

The benefits fund is threatened with exhaustion by next when the unemployment is forecast to rise to four per cent of the NGA membership.

The main Fleet Street general union, the National Society of Operative Printers, Graphical and Media Personnel, has also indicated that it will not accept

those of private sector em-

assistant organiser for health

service staff, said the action was

ralled off an "an act of good faith on our part to give the

employers flexibility for move-

NAGLO said the managemen

which it has been negoti-

side of the NHS administrative

and clerical Whiteley Council,

ating, had undertaken to talk to other health service manage-

ment groups to find out where

there are funds to finance an increase for computer staff.

Mr. Hugh Bailey, NALGO

#### **Bristol** Dragonara Hotel March 24 Everton F.C. March 25, 26 Liverpool **Nixdorf House** Birmingham March 26 The Inn on the Lake March 31 Gravesend April 2 **Brentwood** The Post House

## Take a seat and find out how Nixdorf can improve your total business

Holiday Inn

This year, Nixdorf are continuing with a series of highly successful seminars which cover, in a down-to-earth, no nonsense way, exactly what a computer can do (and what it can't do). As you would imagine, we run two separate seminars on the dates shown to cover both financial and production control in detail. Not that we spend all our time talking - you will actually see a working system performing - that's vital if you are to make the right decision for your business.

Naturally, we'll be showing you a Nixdorf computer, but there's no high pressure sales talk. just facts and figures for you to assimilate. One of the dates shown above could turn out to be an important turning point for your business. Find out why by completing the coupon or phoning Bryan Taylor on 01-572 3111.

I would like to take a seat at I am particularly interested in: Financial Control **Production Control** Please send me details of Nixdorf Computer Systems. Name Company Address Tel: Nixdorf Computer Ltd., The Hounslow Centre, 1, Lampton Road, Hounslow, Middx. TW3 1JB. FT12/3 Tel: 01-572 3111. Telex: 934030.

#### boundary of the company's existing lease area north of the kloof mine boundary, and the southern boundary of the The company has been informed that the Honourable the Minister of Mineral and Energy Affairs has agreed to grant a mining lease in respect/of precious metals over the

12 March 1981

# International Appointments

## Banking in

Banking Appointments

## Europe

## **FRANKFURT**

OFFICER ca. DM 80.000

ihre Kreditabteilung einen Sachbearbeiter zwischen 28-32 Jahre alt. Mindesterfahrung von fünf Jahren wird vorausgesetzt englische bzw. französische Sprechkennt nisse wären von Vorteil.

MARKETING . ca. DM 65.000 Bankkaufleute werden für eine internationale Bank gesucht, um bestehende Geschäftsbeziehungen zu pflegen und Neukontekte herzustellen. Sie sollten eine Marketinger-fahrung in Frankfurt von mindestens vier Jahren mitbringen, und zwischen 27-34 Jahre alt sein. Englische bzw. französische

KREDIT- , Es werden Kreditsachbearberrer gesucht, SACHBEARBEITER die eventuell die Leitung der Kreditabteil- ungen regionaler US Banken übernehmen ungen regionaler US Banken übernehmen 28-35 Jahre verden. Sie sollten zwischen 28-35 Jahre alt sein, und eine Erfahrung von mit rier Jahren mitbringen. Die Fähigkeit, selbstständig denken und arbeiten zu konnen, wird vorausgesetzt.

Eine führende Bank sucht Kreditanalytiker,

die mindestens sechs Monate Erfahrung

KREDIT-ANALYTIKER

Sperrvermerke werden berücksichtigt, und keine Gebühren erh

mitbringen können. Englische Sprachkenntnisse wären von Vorteil. Bevorzugtes Jonathan Wren

Intervertraulich behandelte Bewerbung senden Sie bitte mit den üblichen
Unterlagen an Roy Webb, Jonathan Wren & Co. Ltd., European Division,
170 Bishopsgate, London EC2M 4LX. Telefonnummer: 01-623 1266.

## Accountant

Bermuda c.\$25,000 tax free

Responsibility will be for a small department. The major challenges, however, are to develop management accounts which report key trends and to work without immediate local supervision.

The Company is the reinsurance captive of International Harvester reporting to Chicago and London. Candidates should be

recently qualified, ideally with experience of insurance company audits.

Conditions include relocation expenses, the salary is tax free in the country. Applications should state age. qualification and work experience or contact Ian Bowers for further details

and an application form quoting client

reference 330L

**Roland Orr** 

**Management Consultants** 35 Piccadilly, London WIV 9PB Telephone 01-734 7282

## **Corporate** Finance Executives

South-East Asia

Our client is a well-established, and very successful, merchant bank based in Malaysia.

The expansion of the Bank's activities requires the appointment of additional corporate finance staff. The successful applicants will become members of a highly professional team and will be engaged on a wide range of activities including the raising of debt and equity capital, mergers and acquisitions, corporate reorganisations, project financing, and financial consultancy.

The Bank offers first-class career prospects in a rapidly expanding market. Less experienced applicants will be given a thorough grounding in all aspects of corporate finance activity.

Applications are invited from Malaysian citizens, wishing to be based in Kuala Lumpur, who have the following qualifications:

a degree or an equivalent professional

qualification in accountancy, law, economics or business studies

the ability to communicate ideas clearly and convincingly to clients personal dynamism, self-confidence and strong creative flair

Appropriate experience in arr accounting, financial, or legal environment would be expected of candidates at the higher end of the age range, which is 23-35.

The remuneration package will undoubtedly prove attractive to applicants who meet the above requirements.

Write with full personal and career details (include a recent photograph) to the address below, quoting ref: S/3904/FT on the envelope. Your application will be forwarded directly to the client unopened, unless marked for the attention of our Security Manager with a note of companies to which it should not be sent. Initial interviews will be conducted by the client.

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An expansion of the activities of N.M. Rothschild Asset Management Limited, the wholly-owned subsidiary of N.M. Rothschild & Sons Limited, necessitates the

appointment of an experienced executive for its Investment Department. The post.

which will be based in London, may involve the successful candidate in substantial

portfolios. The post demands a person capable of working effectively within a highly

Applicants, who will probably be aged between 25 and 30, must have experience in

the currency and fixed-interest field, together with a competent knowledge of

university degree and the ability to communicate ideas and views to clients and

The appointment will be rewarded with a highly competitive remuneration and

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international fixed-interest markets. In addition, they should possess a good

international travel in the course of managing fixed-interest multi-currency

professional team operating in a challenging environment.

Please write with full details of career to date to: The Personnel Director, N.M. Rothschild & Sons Limited, New Court, St. Swithin's Lane,

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## Management Accountant

Film and TV Industry Hamburg

The PolyGram Group of Companies has substantial worldwide interests throughout the record production, music publishing and audio-visual fields. Within its Film-

This appointment will provide excellent scope for working in an international business environment and future career progress is likely to lie with one of the Divisional operating companies after an initial period of two to three years.

25-30, with a strong accounting and economics background (i.e. ACCA or ACMA or Bus. Sch. Diploma) and some management accounting experience. A knowledge of German would be useful.

Write with a detailed c.v. to the Group Personnel Executive, PolyGram Leisure Limited, 17-19 Stratford

## SYSTEMS SUPERVISOR

The University of the Witwatersrand invite applications from suitably qualified persons regardless of race, colour or national origin to this newly-created post in the finance division. Applicants should be University graduates with appropriate accounting or statistical qualifications and about five years' experience.

The position involves the development and maintenance of financial, statistical and edministrative systems with perticular reference to internal control errangements. The incumbent will be responsible to the Financial Controller of the University.

A knowledge of computerisation and application software packages would be an advantage and the ability to deal with all levels of management and estaff is assenbal.

Salary will be negotiable according to qualifications and experience but will be within the range of R18 000-R22 000 per annum (under review) Benefits include annual bonus, pension and medical aid lactitios, remission on University tess for dependents and a housing subsidy (if applicable). Applications, in writing, should be addressed to the Registrar (Planning & Steffing). University of the Witwatersrand, 1 Jan Smuts Avenue, Johannesburg 2001, South Africa. A detailed curriculum vites is required, together with the mames and addresses of three persons who may be called on to sat as professional referees. An information sheet will be sent on receipt of the application which should reach Johannesburg not later than 25th March, 1881.

#### SALES DIRECTOR

An opportunity to become financially independent exists for the right person. He must have an impeccable reputation, a successful sales record and be capable of organising a highly effective selling force. He will be headquartered in Europe but must travel extensively. A knowledge of dealing with portfolio managers and financial institutions is important. He will be supported by excellent sales aids and a suitable advertising budget. Attractive base salary wit hhigh earnings potential.

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01 - 637 7604

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Write Box A7458, Financial Times 10-Cennon Street, ECAP 487

#### MANAGER-CREDIT DEPARTMENT International Bank **Paris**

Applications are invited from suitably qualified candidates for the position of Manager of the Credit Department.

The appointed will report directly to the Chairman and/or Vice-Chairman of the Bank and will be a member of the Bank's Credit

The successful applicant will be responsible for developing systems to monitor all extensions of credit, including due from bank lines. He will supervise a staff of approximately 35 people whose duties are the analysis of all credit proposals to be submitted to the Credit Committee, control and administration of all commitments, analysis of proposed country limits and maintenance and follow-up of customer and project documentation and credit

A minimum of ten years experience in banking is necessary, with heavy emphasis on credits and staff supervision. Familiarity with American banking systems would be helpful, but is not a requirement. All candidates should be Common Market citizens, fluent in French and English. Salary is open, subject to negotiation, with excellent fringe benefits.

Please reply, in confidence, enclosing full curriculum vitae to:

Box A.7449, Financial Times 10 Cannon Street, EC4P 4B)

TV Division it now requires a qualified Accountant, Economist or Business School Graduate, based in the Hamburg head office, to be responsible to the Deputy Divisional Controller for all management reporting

The company is looking for a man or woman, aged

Place, London W1N 0BL.

## FOR SOUTH AFRICA

Globe Plan SA, Mon-Repos 24, 1005 Lausanne, Switzerland

## LADGROUP LIMITED LAGOS, NIGERIA

Ladgroup Ltd. is one of Nigeria's leading companies in the Food import Business. Founded nines, years ago, it has an annual turnover of about 40 million Naira (231.4 million Sterling), it is currently expanding the scope of its operations by diversification into the Cold Storage Distribution of frozen fish, chicken and meat.

#### SALES MANAGER, FISHING DIVISION

The successful applicant would be responsible for the sales of the companies frozen food products. This is a pioneering position and it will involve among other things, the preparation of the Sales Budget and directing of Sales Activity to achieve such Budget, monitoring Market conditions and supervision and training of subordinate staff of the Sales Department. The man should be of mature experience with a thorough understanding of the complexities of the World Fish Market and International Trading. He must be conversant with the operation of cold storage, refrigerated carriers and should possess an ability to develop reliable channels of distribution through a Dealer network of Cold Stores.

The candidate should not be less than 35 years of age and must be a graduate from a good university. Foreign candidates must be fluent in English.

Salary and conditions of service are negotiable.

#### CHIEF ACCOUNTANT

As Head of the Accounts Department, he will have specific responsibility for developing Financial and Accounting Control and Planning Systems, providing Financial Services in the areas of Funding and Corporate Planning. He will also be required to play a leading role in the day to day management of the company's operations throughout Nigeria.

The successful candidate will possess a University Degree together with a professional qualification (ACA, ACCA, ACMA). Foreign candidates must be fluent with English. Experience gained in an International Commercial or Industrial Organisation will be an advantage.

Salary and conditions of service are negotiable.

The Accountant will report directly to the Chief Accountant and will have specific responsibility ine Accountant will report directly to the Chief Accountant and will have specific responsibility for the preparation of the Company's monthly Accounts and the maintenance of Current Assets and Liabilities Accounts. He will also have responsibility for the efficient handling of Foreign Exchange matters including the processing of Form M's. Letters of Credit and liaisoning with the company's Bankers and other Financial Institutions with which the company has dealings. Candidates should be professionally qualified Accountants (ACA, ACCA, ACMA). Foreign randidates must be fluent in English candidates must be fluent in English. Salary and conditions of service are negotiable.

Candidates interested in any of the posts should send their c.v. and salary required to: THE MANPOWER DEVELOPMENT MANAGER, LADGROUP LTD. PO BOX 3795, LAGOS, NIGERIA

## Chief Executive for Record Manufacturers of Nigeria Limited

Record Manufacturers of Nigeria Limited with a turnover of several million Naira and employing some 300 staff, is the largest company manufacturing records and pre-recorded tapes in Nigeria.

Applications are invited from Executives with the appropriate technical background and a proven track record in line management with overseas experience.

The Chief Executive will report to the R.M.N.L. Board.

The candidate appointed will be responsible for the day to day operations of the company and will be expected to achieve the goals set by the Board. Authorities delegated by the Board.

SALARY: The salary for the above position is attractive but negotiable.
FRINGE BENEFITS: Fringe Benefits are excellent and these include:

a. Free Furnished, Air Conditioned, Accommodation

b. Free Medical Services for self and family

c. Company Car with driver

d. Twice a Year Home Leave for Expatriates.

APPLICATION: Applicants should write in the first instance, giving full personal and career details, reference 816, to:



Hales & Hindmarsh Associates Ltd. Gentury House, Jewry Street, Winchester, Hampshire **2** (0962) 62253

## REQUIRED PROJECT ANALYSTS

will match these responsibilities.

INTERNATIONAL FINANCIAL INSTITUTION in Dubai requires Project Analysts for one of its departments. Candidates preferably bilingual (Arabic and English or French), must be appropriately qualified with proven responsibility for direct investment appraisal and financing Applicants should have first class academic

qualifications, particularly in the fields of.
Production Management, Business Economics and Operations Research. They should ideally have extensive experience in Project Appraisal and associated analytical technics as well as the assessment of acquisitions.

Salary is negotiable and free of tax in Dubai. Contract is for a minimum of two years. Free accommodation, transport allowance and other benefits are provided.

Please send application to: Director of Projects P.O. Box 11094 DUBAL U.A.E.

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#### We are currently seeking A.C.A. QUALIFIED **ACCOUNTANTS**

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FIELD EXECUTIVE

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and have auditing experience Applications to:
FIELD EXECUTIVE LTD., Field House, 14 Commercial Road,

Swindon, Wiltshire. or telephone: (0793) 37773 (24hr answering service) or (0793) 37774 INTERNATIONAL RECRUITMENT

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c£13,000 + car

Our Client is a leading UK retail group with some overseas interests. Their Head Office is in the West End.

They seek a Tax Adviser to assume full responsibility for the complete range of group corporate and personal taxation matters including all aspects of property taxation. The position involves advising and liaising with Senior Management throughout the group.

Candidates should be qualified accountants with a minimum of two years taxation experience.

Success in this newly created position should lead to further advancement within the group, not necessarily confined to the taxation area.

Interested applicants should send a comprehensive resume of career to date quoting ref 808 to Nigel Hopkins, F.C.A., Michael Page Partnership, High Holborn House, 49/51 Bedford Row, London WC1V 6RL. Tel: 01-405 0442.

Michael Page Partnership Recruitment Consultants London Birmingham Manchester



CHARTERHOUSE APPOINTMENTS Europe House **World Trade Centre** London El 9AA

#### **Commodity Executive Director Designate**

Oil Distribution

c. £15,000 + Car

Our client, an oil distribution company with an approximate turnover of £50 million, requires a Senior Executive to control their purchasing and IPE hedging operations. The Appointee will have a knowledge of Futures Trading and Foreign Exchange. Additional knowledge of the workings of the Oil Market would be useful but is not an important factor.

This newly created position coincides with the imminent opening of the International Petroleum Exchange in London, and therefore the appointment will offer considerable scope and responsibility to the successful

The remuneration will consist of a negotiable salary in the range of £15,000 together with a company car and additional fringe benefits.

Please contact David Lubbock in the strictest of confidence on the number below (or 01-223 0730 evenings/weekends).

#### 01-481 3188

#### Local Authority Mortgage and Investment Dealer

Phillips & Drew, Stockbrokers, require a graduate dealer with experience of Fixed-Interest Markets to join their Corporate Investment Department to help expand secondary mortgage trading. Experience of the gilt-edge market would be an advantage.

Preferred age late twenties.

We offer a competitive salary, bonus, £1 per day luncheon vouchers and an annual season ticket loan scheme from the date of joining. The annual holiday entitlement is initially 20 days, rising to 25 days. This year's holiday arrangements will be honoured.

Please write to:

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VINENTS

A. G. Wright, Staff Manager, Phillips & Drew, Lee House, London Wall, London EC2Y 5AP

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Interexec is Europe's largest and most comprehensive job finding and career advisory service for senior executives. Interested clients do not have to register with agencies, apply for appointments, prepare application forms or any other written presentation, write letters, or even find vacancies. Interexec's 50 specialist staff and access to unadvertised vacancies assist executives rapidly and discreetly. If your future is in doubt, telephone an Interexec Office. Interesse: Hse, 22/23 Old Burlington St. LONDON, WL 81-434 3661/2/3/4/5/6/7/8/9 Elizabeth Hac, Suffolk St, Queensway. BIRMINGHAM 021-643 2924

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#### FINANCE DIRECTOR

for new and rapidly expanding group of companies involved in the plant industry. Must have good financial background. Willing to accept challenge, show initiative and be involved at the sharp end of the business.

Salary negotiable plus profit participation.

Send c.v. to: - 2 Fitzroy Close, Fitzroy Park, London, N6

## **JOBS COLUMN**

## Sackings slow but still beat national trend

BY MICHAEL DIXON

i	LARGEST RISES	IN UNEMPLOYMENT No. on register as unemployed	AMONG MANAGERS "New entrants" in- cluded in register	AND SPECIALISTS  Unemployed net of "new entrants"	given later. The same applies, by the way, to the other head- % hunters who will be mentioned rise further on.
itisi li	Category of work Management gervices Data processing Estimating staff, etc. Draughtspeople Purchasing Technical and scientific support Engineers and technologists Administrative and other non- production managers Production managers Accountants Sales and marketing Personnel General managers Aircraft and ships' officers	Mar. 3 (Feb. 2) 162 ( * 154) 4,362 ( 4,300) 1,374 ( 1,303) 3,068 ( 2,895) 2,150 ( 2,034) 4,981 ( 6,747) 7,987 ( 7,773) 23,879 ( 23,044) 5,315 ( 5,069) 3,971 ( 3,910) 16,256 ( 15,748) 3,313 ( 3,358) 2,477 ( 2,390) 890 ( 866)	Mar. 3 (Feb. 2) 22 ( 24) 2,126 ( 2,222) 107 ( 117) 101 ( 111) 128 ( 133) 1,085 ( 1,201) 1,532 ( 1,686) 4,073 ( 4,310) 178 ( 191) 846 ( 940) 2,265 ( 2,421) 1,467 ( 1,597) 121 ( 123) 73 ( 77)	Mar. 3 (Feb. 2) 140 ( 130) 2,236 ( 2,078) 1,267 ( 1,186) 2,967 ( 2,784) 2,022 ( 1,901) 5,896 ( 5,546) 6,455 ( 6,087)  19,806 (18,734) 5,137 ( 4,878) 3,125 ( 2,970) 13,991 (13,327) 1,846 ( 1,761) 2,356 ( 2,267) 817 ( 789)	Responsible to the parent bank's vice-president for 7.6 Europe, the London chief will 6.8 be supported by four assistant directors. Candidates must already be of at least deputy general manager rank, preferably with a major clearing bank. 5.7 They need extensive experience 5.3 of lending in the UK, and an established reputation in its financial institutions.  4.8 Salary is around £40,000. plus perks of usual City banking munificence.

14.3 per cent average monthly growth from October to Febthe seasonally adjusted overall rate. The category I have left ruary in total net registered unout is "food preparation staff" employment among the higher-level workers, has slowed between the two latest counts

to only 3.8 per cent. That has been enough, however, to lift the total net figure above 100,000 for the first time; and the rate of increase is still in advance of the 3.4 per cent rise to mid-February in seasonally adjusted unemployment as

THE SURPRISE of finding

three weeks ago that unemploy-

ment among managers and specialists in the United

Kingdom had leapt by more

than half between October and

February, was too unpleasant to risk repeating. So I shall

henceforth check the numbers

of higher-grade staff registered

as unemployed with the Govern-

and Executive Recruitment

The table alongside, compiled

from PER's count on March 3.

omits a bit of good news. It is that the number of jobless

teachers, net of "new entrants"

(who are people aspiring to the

work in question but without

previous experience of it). fell

by 1.6 per cent between Feb-ruary and March to 15,200.

But there the good tidings cease. Unless, that is, one counts

as good news the fact that the

agency, month by month.

Professional

ment-sponsored

The table shows 14 of the 15 broad categories of highergrade staff in which net job- of industrial and commercial lessness increased faster than workers.

where, although the increase was 31.3 per cent, the number unemployed on March 3 was

All higher-grade unemployed 129,475 (128,286)

To my mind, the worst news from the figures is that they indicate, yet again, that the UK Government is far better at undermining other people's business than at minding its own. Of the higher-level categories in which unemployment rose faster than the overall rate, all consist largely

Group

Financial

Controller

c £20,000 + car

excess of £200m and whose industrial products enjoy a world-

wide reputation. There are manufacturing and marketing

finance director, within a small head-office on the outskirts

Candidates, male or female, should be chartered

accountants with good experience of sophisticated budgetary

multinational setting at divisional or group level. They should

control entailing close involvement with line management in a

also have had experience within an operating subsidiary. Age is

**CB-Linnell Limited** 

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**Britannic Assurance** 

Assistant

Investment Manager

Britannic Assurance Company Limited requires an Assistant

Investment Manager. This is a senior position at the head office

in Birmingham with excellent career prospects. The successful

candidate, male or female, is expected to be fully experienced

in all aspects of investment work and an accountancy or similar

Salary will depend on age and experience and benefits include

pension scheme, concessional mortgage facilities and car

Written applications giving details of age, qualifications and

experience should be marked 'Private and Confidential' and

**Britannic Assurance Company Ltd.**,

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INFORMAL INTERVIEWS IN

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and service a wide range of national and international clients. Most

If you are interested in relocation to Ireland and joining a leading professional firm we would like to have an Informal Discussion

of the tax work is undertaken in the Dublin office and it is here

that we require a number of experienced tax personnel to help

with you on Wednesday or Thursday 18th or 19 th March from 5.00 to 8.00 p.m. at the Tower Hotel, Tower Bridge.

If you are unable to call and see us in London, please write or telephone for further information to Geoffrey Perrin Personnel

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DUBLIN 2. Telephone: (0001) 757971

further develop the range of our taxation advice.

qualification is desirable. Age around 40.

J. A. Jefferson, FCA

Generai Manager,

provision scheme.

addressed to:

Please reply, in strict confidence, quoting Ref FT/708 giving details of age, experience, qualifications and present earnings to:

companies in many overseas territories.

flexible but late thirties may be preferred.

of London.

For a household-name British public company with sales in

This is a new appointment, responsible to the main board

the highest net increase was 2.8 libraries, art galleries and so on. Town planners and archi-tects came next with 1.4 per cent, then social and health workers with a 1.1 per cent rise. And teachers, as was said before, were the only group to

29,413 (31,897)

register a fall. But I am not going to go on about that any more. Nor, gate, London EC2M 4LX: telealthough many readers have kindly sent their views, am I going to continue the debate name his client, he promises to

Among the groups composed more than enough gloom for mainly of public-service staff, this one. So let's turn to some

100,062 (96,389)

#### Branch boss

FIRST is the post of managing director of the London branch a North American bank, which is being offered through consultant Brian Gooch of Jonathan Wren (170 Bishopsphone 01-623 1266, telex 21792 ref. 1616). Since he may not about redundancy counselling abide by any applicant's re-until next week. We have had quest not to be identified to the

#### Chief dealer

ANOTHER international bank comes next, seeking a Citychief foreign exchange dealer through Dudley Edmunds of Robert Half Per-sonnel UK. And although he Dudley does not quote a salary, my guess is that it cannot be much lower than the one for the London branch manager above.

Candidates here should have thorough experience of foreign exchange and deposit dealing, especially the latter, and be success over a minimum of three years as a chief dealer is required.

employer until permission is Edumunds says. Inquiries from given later. The same applies, by champagne-and-polo or, at a minimum, gin-and-squash types to him at Lee House, London Wall, London EC2Y 5AS; tel. 01-606 6771.

#### High volume

DIFFERENCES in job-security between public- and privatesector staff seem no dafter than differences in pay and perks between senior City bankers and managers of well populated industrial concerns. example the Midlands-based job being offered through Ray Holding of the Brian Woodhead recruitment consultancy.

His client is a British group seeking a managing director for its subsidiary group of two companies in high-volume production of engineering parts for the motor industry. Employees number 800.

Engineering knowledge and managerial success in the same field are necessary, but not sufficient. Candidates must also show practised commercial skills, including that of charming major customers

But the salary indicator is only around £16,000 which, while perks include a car, would familiar with gilts, bonds, and surely seem unacceptably short so on as well. Demonstrable of cakes and ale even to a beer surely seem unacceptably short and skittles City dealer.

Inquiries to Mr. Holding at 107 Harborne Road, Birmingham The job would not suit B15 3HG; tel. 021455 8145, beer-and-skittles" dealers, Mr. telex 337492 Comcab G.

#### **GROUP TREASURER** London

Tozer Kemsley & Millbourn (Holdings) Limited seeks a Group Treasurer on the retirement of the present incumbent.

TKM is a broadly based international trading and finance company. It operates through its financing and forest products interests in most parts of the world and has direct operations and investments, including automotive, transport and travel activities in twenty-eight countries. Turnover is in the order of £1,400m.

The Treasurer is responsible to the Finance Director for the control and provision of funds to meet the Group's financial requirements.

Candidates, male or female, must have the personal characteristics to operate at a senior level in the finance world. Preferred age 35-45.

Please write with full c.v. to:

Mr. D. R. Spray, Finance Director. Tozer Kemsley & Millbourn (Holdings) Ltd. 28 Great Tower Street, London EC3 5DE



## Chief **General Manager**

National Building Society Circa. £30,000+Benefits

Based in an attractive part of rural England, our client is a well known national building society with assets in excess of £1.500 million. The current Managing Director is due to retire within the next two years and so an experienced senior executive is shortly required to assume the overall responsibility for the administration nd future development of the

business. Preferably aged 40 to 50, male or female candidates should be educated to degree level and inter-alia hold professional qualifications, in for example:-company secretarial, accountancy, building society, banking or insurance. A proven track record of success in a major financial institution is essential and candidates must have at least five years experience at General Manager or Deputy General Manager level preferably in a building society, but

possibly in banking or insurance. The demanding nature of this senior executive role calls for not only exceptional business acumen but also a unique blend of highly developed communication, leadership and man-management skills.
The attractive remuneration package

includes a car, concessionary mortgage, free BUPA, a 'top hat' pension and reflects the importance placed on this influential appointment. Write or telephone for an application form or send brief CV to the address below, quoting Rel: GM55/7596/F.T. on both letter and envelope, and advising us of any other applications you have made to PA Personnel Services within the last twelve months. No details are divulged to clients without prior permission.

Initial Interviews will be conducted by

#### **PA Personnel Services**

Hyde Park House, 60a Knightsbridge, London SW1X 7LE, Tel: 01-235 6060 Telex: 27874

Industrial Finance

arises from planned expansion and will appeal to equipment finance specialists capable of developing substantial new business opportunities in the South

Candidates, aged 28 to 38, will be expected to demonstrate a successful record of achievement in selling financial services and be experienced in conducting negotiations at senior level in a big company environment.

The salary envisaged is not less than five figures, plus an additional incentive element, 2-litre company car and the usual benefits associated with a senior position in a leading financial institution. Applications giving full details of age. education, career to date and present salary should be sent to

> Manager—Personnel Recruitment Manufacturers Hanover Trust Co. 1, Gerry Raffles Square



Malcolm Frost.



London E15 1XG Manufacturers hanover Trust Company

New Business Manufacturers Hanover Industrial Finance Limited offers a range of the programmes for financing Executive the acquisition of capital plant and equipment to the UK's major industrial and commercial companies The position, based in the City of London.

#### **INVESTMENT ANALYST-SALES** Japanese Market

City based

Age 25-35

Up to £15,000

Our client, a major firm of stockhockers, will shortly appoint a senior Investment Executive to join their small team that specialises in the Japanese Market.

His/her responsibilities will include analysing Japanese companies with particular emphasis upon: ★ Making use where necessary of detailed material from this market.

\* Visiting companies connected with this research work, which will entail overseas travel. ★ Discussing with major institutions investment ideas related to Japanese companies.

The ideal candidate, who may well be a JAPANESE NATIONAL, should have had at least three years' experience in the investment world, ideally covering the relevant area. The person appointed will be . articulate, enthosiastic, with the ability to produce investment material and to discuss this to the high standard expected by our client.

He/she will need to have the poste and confidence to talk to clients at the highest level. The position offers a first class opportunity with a leading British name within the City of London. An attractive salary, which will include a bonus element, will be paid but is unlikely to prove a problem for the right candidate.

PERSONNEL CONSULTANTS

Please apply to Jock Coutts.

Chichester House, Chichester Rents, Career London WC2A IEG. Tel: 01-242 5775

## Company Secretarial Assistant c.f.10,000 Manchester

The Co-operative insurance Society is a leading UK insurance company with funds in excess of £1,100 million and employing over 10,000 people. The Secretariat of the Society is responsible for preparing documents for the use of Senior Management and the Board. A division of the Secretariat acts for an international federation of insurance companies with world-wide membership and here the work includes research, reports, control of finance, publication of an insurance journal and arranging conferences.

An experienced secretarial assistant is now required to provide additional support. The successful candidate will progress rapidly towards assuming responsibility for a major area of the

Aged 28-40, candidates must have either a secretarial or accounting professional qualification. Experience in the secretarial department of a large public company or public utility is essential. A degree and/or knowledge of one or more European languages would be an added advantage and some understanding of the Insurance business would be desirable. Ideally candidates should also have worked in other areas of a large organisation.

Only those persons who meet the essential requirements will

The commencing salary will be around £10,000 per annum. The Society offers good conditions of employment with security. Free luncheon is provided and there is an attractive contributory pension scheme. Working conditions are of a high standard. Adequate relocation expenses will be paid if appropriate.

The location is Manchester and occasional UK and overseas travel may be required.

Applications stating age, qualifications, experience and all other relevant details to, Mr PG Cleaver, Assistant Manager, Personnel and Management Services Department, CIS, Miller Street, Manchester, M60 OAL, to be received by 23rd March 1981.



We do not wish to receive enquiries from other newspapers or employment agencies.

## Manufacturing Administration

Our client is a leading international food manufacturer and as such will offer a high calibre individual professional scope and excellent prospects as the person in charge of administration and accounting at one of their factories in the North of England.

Reporting to the Factory Manager you will be part of the management team responsible for the efficient running of factory operations. Your primary responsibilities will include the administration and training of office personnel, planning and monitoring expenditure through the financial and standard cost accounting systems, and stock control

Proven accountancy and man management expertise are essential for this position and a knowledge of data processing would be an advantage. Preference will be given to a qualified Cost and Management Accountant although consideration will be given to someone who has had good relevant work experience, ideally in the food industry, where turnover has been

The remuneration package reflects the level of candidates sought. This includes a salary of up to £10,000 p.a. and, where appropriate, relocation assistance to an attractive part of the country where there are excellent leisure facilities close by:

Applicants, male or female, please write with full career details listing any companies to whom you do not wish your application forwarded and quoting ref. FT/364 to Peter Barnes,

Riley Advertising (Southern) Limited, Old Court House, Old Court Place, Kensington, London W84PD.

A member of the Rex Stewart Group LONDON BIRMINGHAM BRISTOL EDINBURGH GLASSOW LIVERPOOL MANCHESTER NEWCASTLE NOTTINGHAM PERIH.



## Chairman — Part Time

Food Products

Yorkshire, excellent remuneration

Our client is a public company (t/o £60m +) engaged in the manufacture and marketing of fast selling consumer products. The vacancy arises due to an impending retirement. The successful applicant will be responsible for the profitability of the business and will be personally responsible for, and experienced in maintaining City contacts. Candidates, aged around 50, must be able to demonstrate success at Managing Director level in businesses which are people orientated and involved in the manufacture and marketing of fast selling consumer products. Strong financial acumen is essential and experience in export and international business desirable.

J.R. Featherstone. Ref: 12213/FT, Male or female candidates should telephone in confidence for a Personal History Form 0532-448661, Minerva House. East Parade. LEEDS, LS1.5RX. -

## Two young International Bankers

An international merchant bank seeks to augment its Londonbased team engaged in Eurofinance, syndicated lending and capital

Applicants should be 25/28, well educated, with at least three years in banking and must be prepared to travel.

Foreign languages would be desirable. The appointments could eventually entail a temporary overseas assignment.

The salary offered will be compatible with experience and fringe benefits will be those usually available in a first class City banking institution.

Applications should be addressed, in complete confidence, to:

Brian Jones, St. James's Recruitment, St. James's House, 4/7 Red Lion Court, Fleet St., London EC4A 3EB.

# Management accountant for consultancy

**Manchester** 



We are one of the largest British and international firms of management consultants and are seeking a high calibre management accountant to join our rapidly growing practice in the North of England.

You would advise a wide range of industrial and commercial organisations in the areas of:-

- management information systems
- financial analysis and project appraisal
- profit improvement and cost reduction

You should be aged 28-32, qualified and preferably with a degree. You should have a record of achievement in manufacturing industry and experience of the development of computer based accounting systems.

As well as broadening your business experience this position offers an exceptional opportunity for rapid career and salary progression.

Please send a résumé including a daytime telephone number to Victor Luck, Ref. MAF/101.

Coopers &Lybrand Coopers & Lybrand Associates Limited management consultants

associates St. James's House Charlotte Street
Manchester M1 4DZ

## **Health-Care Exports**

**Director General** 

to £25,000 + car The British Health-Care Export Council

intends to strengthen the Board by appointing a Director General to define and carry through ambitious export strategies on behalf of its members. They provide equipment, consumables and consultancy services worldwide to governmental and private sector customers. The personal enthusiasm to generate a greater effectiveness in export markets is seen as the key requirement. Candidates must be able to demonstrate a successful record in selling overseas, together with an understanding of the role of industry, commerce and government in this activity. A familiarity with the medical sector is a necessary prerequisite.

Age bracket 40-early 50s; location in Central London. Salary to the level indicated with car and pension scheme provided. Please send a detailed CV including current remuneration which will be discussed with the Council prior to

Write or telephone for an application form or send brief CV to the address below, quoting ref: GM26/7606/FT. on both letter and envelope, and advising us of any other applications you have made to PA Personnel Services within the last twelve months. No details are divulged to clients without prior permission. Initial interviews will be conducted by PA Consultants.

#### **PA Personnel Services**



A member of PA International

## Corporate Secretary/Lawyer

Sentry Insurance Group (UK) Limited, part of the international Sentry Organisation, with world-wide assets of around £800million, are seeking a Corporate Secretary/Lawyer for their new European headquarters in North Bucks.

A vital member of a young dynamic management team, the successful applicant will report to the Director and Administrative Services Manager and act as Secretary to the Group and Subsidiary Boards of Directors. In addition to this and statutory duties, your responsibilities would include the provision

of legal advice to management on many aspects of the Group's activities and the stration of the Group's staff life assurance and superannuation scheme. And now — due to the recent expansion of our organisation, your involvement in the Group's affairs is expected to be considerable, as is your opportunity for personal

Applicants, male or female, should preferably be Barristers or Solicitors, holding a Professional Secretarial qualification from the Chartered Institute of Secretaries and

In addition to a benefits package which includes BUPA, company car and re-location expenses, where appropriate, we offer an attractive salary which is open to negotiation, but reflects the importance we attach to this position. Please write enclosing a C.V. showing details of age, qualifications, experience and

John Brazier, Director and Administrative Services Manager Sentry insurance Management Limited. Ashton House, 499 Silbury Boulevard, Central Milton Keynes. Bucks MK9 2LA



## COUNTY BANK

# Merchant

We are a leading merchant bank in the City providing both loan and equity finance to a wide range of private and public companies. As a result of an expansion of business, we are seeking to recruit a number of executives to join one of our Corporate Lending teams.

All candidates must be able to demonstrate creative. thinking and initiative, in addition to professional skill and

There are opportunities for both chartered accountants with recent professional experience and bankers in their mid-twenties with experience of corporate

A competitive salary, dependent on age and experience, will be offered, together with the normal range of banking benefits.

Please forward full details of education and experience, including current salary to:

I. Carlton, Personnel Manager, County Bank Limited, 11 Old Broad Street, London EC2N 1BB.

A member of the National Westminster Bank Group

#### PRINCIPAL TECHNICAL **OFFICER** (loans)

£11,370-£12,477 inc.

A bright and energetic person with a flair for money market dealings is required to head a small section responsible for the management of the Council's loan debt. The total debt is now in excess of £400 million and has a turnover of £500 million per annum.

The qualities required to successfully manage this debt are the possession of sound financial judgement and the ability to respond quickly and decisively in time of pressure.

The person appointed will also be expected to make significant contribution towards the computerisation of much of the work-associated with this section, for which a mini-computer has recently been acquired. Preference will be given to persons with an economic accountancy background. For further information, please phone R. Coomber—Assistant Borough Treasurer on 01-237 6677 ext. 110.

Relocation expenses will be payable in appropriate cases.

Telephone 01-701 2870 any time for an application formor write on a postcard to: The Personnel Officer, London Borough of Southwark, 27, Peckham Road, London SE5 8UB. Please quote reference FT/2/2239 and job title. Closing date: 23.3.81.

## **fouthwark**

#### **Operational and Financial** Systems Review c.£11.000 plus excellent benefits

Canadian Pacific Ltd. seeks a qualified accountant. or M.B.A. with management potential for this challenging position based in London. Approximately 25% international travel will be required.

The successful applicant will report directly to the Audit Manager and will become involved in the development and implementation of Operational and Financial Management projects designed to assist Canadian Pacific Divisional Management in the realisation of the Company plans and objectives for

This is an excellent opportunity to demonstrate personal ability and to acquire broad experience in a demanding environment with career development.

prospects.

Please write with full personal and career details to:
Manager, Shore Personnel, Canadian Pacific,
50 Finsbury Square, London EC21DD.



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#### THE INVESTMENT SPECIALISTS INVESTMENT ANALYST INSTITUTIONAL SALES

66.000 to £8.000

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Several of our clients, smell and medium sized Stockbrokers and a Marchant Bank seek Graduates with 2 to 5 years experience, of private client portfolio management.

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To £12,000 DEVELOPMENT OFFICER To essist Chief Accountant-and get involved in accounts. £12,000 neg.

ACCOUNTANT



With good D.T.I. exp BANKING & ACCOUNTANCY



West End firm of Chartered Accountants with nine partners and a varied practice seeks.

#### An Experienced Accountant

not necessarily qualified, for the preparation and auditing of accounts. Must be able to work quickly and accurately and exercise initiative.

Apply with details of experience and salary required to: Miss E. G. Hildge GRIFFIN STONE, MOSGROP & CO. 41 Welbeck Street, W1 Phone: 935 3793

4 COMMO

HAVE YOU THOUGHT OF BECOMING A

NEWS JOURNALIST

One way into training for this work —if you have the right solvende—is to attend a one-year coarse, followed by 21e-years indonture to a provincial heaveman.

if you are likely to have two "A" itsels and will be under 20 on September 1st, 1981, write for an application form, enclosing a 9 fact by 4 fact stamped and addressed envelope, for the Newspaper Journalism course starting that month to the industry's own training accoming that

THE NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS Cariton House, Hampell Street,

#### **Credit Control Manager PROVEN ABILITY DESERVES HIGH REWARD High Technology Leader** London H.Q.

You have proven success in a credit control role and would welcome the challenge of baving total responsibility for the efficient management of a multi million pound turnover with an acknowledged leader in the expanding world of word processors, data processing equipment and mini-computers; ideally you have had experience in such

Naturally, epart from being qualified, you have the ability to lead a substantial team at the London Headquarters of the U.K. Company — one of the major subsidiaries of an international group - and, being ambitious; view this post as an opportunity to prove your true worth and potential to the Board.

It is likely that you are already earning well into five figures and thus the salary is highly negotiable but is unlikely to be a barrier. In addition, the benefits include a bonus and car together with conditions which are all that one would expect from a major international

If you are interested, would like to know more, and feel you match these requirements, contact the Company's advisor, Peter S. Findlay, Cripps, Sears and Associates, Personnel Consultants, Burne House, 88/89 High Holborn, London, WC1V 6LH. Telephone: 01-404 5701 (24 hours). Telex: 893155.

(This open is open to both men and women.)

# For Faror Middle East

Coward Chance require qualified lawyers to handle important international financial, commercial and shipping work with a view to subsequent tours in their Far East or Gulf

Career prospects are good and salary and other benefits will be competitive. Applicants should have a good degree but previous relevant experience, although desirable, is not essential.

Please write with full c.v. to G. L. Wareham, Coward Chance, Royex House, Aldermanbury Square, London EC2V 7LD.

COWARD CHANCE

## **CHIEF ACCOUNTANT**

COMPANY

Successful medium-sized publishing company based in Oxford with international reputation.

APPLICANT

A suitable candidate will be professionally qualified and have experience in industry or commerce. Skills must extend to Cost, Management and Financial Accounting. A knowledge of computer based systems would be an advantage.

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Reporting through the Finance Director to Managing Director, responsible for management of small team carrying out all the Company's accounting and data processing requirements.
The post carries an attractive remuneration package.

Please send curriculum vitae to:

#### HENRY COOKE, LUMSDEN & CO. RESEARCH ANALYST

We are seeking to expand our institutional research coverage with particular reference to companies based in northern England.

The successful candidate will have a number of years' industrial experience in a numerate, ideally analytical environment. The ability to communicate both verbally and in writing is important, as the candidate will be required to build up personal relationships with companies and institutional investors, as well as promoting his/her work amongst the company's own salespeople.

The position is based at the company's head office in Manchester. Salary is negotiable according to experience.

Applications in confidence to: John Davenport, Henry Cooke, Lumsden and Co., P.O. Box 369, Arkwright House, Parsonage Gardens, Manchester M60 3AH

#### FINANCIAL CONTROLLER

required by international building material manufacturer, headquartered near Hasthrow, to be pert of small team managing licensed and wholly-owned factories world-wide. Main tasks are production of accounts, management information, banking, acquisition, investigations, reporting to managing director. Can exhibit a considerable involvament in general running of business. Success in this post should nearly on the programment of production of condidates should be in lead to employment as financial director. Candidates should be in lead to employment as countant, with management experience outside the profession. Salary—benefite—open, depending upon experience.

Managing Director · KENITEX CHEMICALS (UK) LTD. Amberley Way, Hounslow, Middlesex TW4 6BH

Money Market Manager  A Senior Manager is being sought by a leeding continental bank to be responsible for the full Treasury function in London. The Bank has a responsible for the full Treasury function in London. The Bank has a responsible for the full Treasury function in London. The Bank has a responsible for the full treating reputation. In both Foreign Exchange and Securities.  Senior Foreign Exchange Dealer To be responsible for an active dealing room, operation in a leading international bank.  Juntor Dealer With minimum 2 years experience in FX major carrencies spot and forward.
With minimum 2 years experience in 19
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BUREAU LIMITED

STAFF CONSULTANTS

## COMMODITY DEALERS

TRAINEE

LONDON C. £7,000

A well known company with associated offices in New York and the Far East is looking for a trainee trader (age 23-30) with some years of experience preferably, in a financially orientated business. Placent French necessary and German would be an advantage. A university degree or professional qualification is essential. Some foreign travel would be required eventually.

Please apply with educational and career details to

#### Exceptional ground floor opportunities -International Audit Team - BRIGHTON

The Company, a major American corporation, is establishing a new Internal Audit function in the U.K. Initially, the section, which will report direct to the General Auditor at the Corporation's headquarters in the U.S.A. will service the financial and insurance businesses which are being rapidly developed and expanded in the U.K.

Once established, the audit function will be extended to cover all the Corporation's business interests throughout Europe, including the extensive manufacturing operations. Some overseas travel will be

Applications are invited for the following key positions:

#### **Director - Internal Audit Europe**

Candidates, who will be graduates and chartered accountants, should have several years experience leading a sophisticated international audit team. Detailed knowledge is required in the following

Lloyds reinsurance and financial markets

- Manufacturing industries

- U.K., U.S.A. and continental accounting requirements. An attractive remuneration package is offered which will include substantial bonus and fringe benefits plus company car and subsidized mortgage plan.

#### **Senior Auditor - Europe**

A university degree and full professional accounting qualifications are required. A minimum of two years' post-qualification experience is necessary, preferably in the auditing field.

The Company envisages a very competitive remuneration package for this position, including annual bonus, subsidized mortgage plan, non-contributory pension and BUPA.

A generous relocation package is offered, where necessary. Applications, giving brief details of qualifications and experience,

The audit team will be based at the Company's offices in Brighton.

should be addressed to: John A. Thomason,



Personnel Director. Armco Financial Services Europe Ltd., 71/74 Mark Lane, London EC3R 7HS.

An Armco Financial Services Company

## Financial Management and Consultancy

Qualified accountants or business graduates with sound industrial financial management experience and people skills will widen both their experience and prospects in consultancy with PA. Entry is offered at two levels. If you are in your late 20s— early 30s, already earning a 5-figure income, or maybe younger and looking to broaden rapidly, you will be interested in the prospect with PA to . . .

- strengthen your professional and general management skills. The financial assignments we undertake are rarely confined to the 'pure' discipline but straddle the boundaries between finance and other disciplines such as production, marketing and distribution.
- practise financial management over a wide range of different sectors - within industry, retail and manufacture, and in the City, where we undertake Boardroom assignments including business appraisals and company reorganisation.
- apply today's computer techniques, including the latest in systems and software. We expect you already to have

had practical exposure to the design, development and implementation of computerised financial and business control systems, and to build on this experience by involvement in a very wide range of such projects.

- travel throughout the UK and abroad, PA's Finance and Administration Division is active throughout the developed and developing world, and fluency in two or more languages is desirable. enjoy the opportunities for
- self-development and career progress by practising general consultancy in the world's leading consulting group. Excellent training courses are provided at our own management education centre and assignments are planned to enhance your experience systematically. For an application form, please phone 01-235

3570 and record your name and address. Alternatively, write to The Personnel Manager, PA Management Consultants Limited, Bowater House, 68 Knightsbridge, London SW1X 7LJ. Ref: FAD.



A member of PA International

## **OCEANEERING**

## FINANCIAL DIRECTOR

Oceaneering International, one of the world's largest underwater engineering contractors is seeking a Financial Director to report to the Managing Director, UK, Europe and

The candidate will be a qualified accountant with international experience since involvement with the Group's global tax position including planning, management and compliance, etc., will be of high importance. With the aid of an established team, you will provide financial and management information at both local and group levels.

An excellent remnneration package will be offered to the successful candidate.

Applications should be addressed to:

Managing Director, Oceaneering International Services Limited, Broadfold Road, Bridge of Don, Aberdeen AB2 SEE

## **Group financial director**

London, to £25,000



For a substantial quoted British group with headquarters in London and predominently in the distribution field. The group has an excellent record of profitability and growth through both internal expansion and acquisitions.

Working closely with the Chairman and a small team of executive directors you will assume full responsibility for the finance function on the retirement of the present Group Financial Director later this year. A commercial as well as a professional outlook is required and in addition to being experienced in acquisitions you must be familiar with the City and in dealing with the financial institutions. You will provide guidance on financial and accounting policies to subsidiaries which operate on a decentralised basis. The corporate HQ financial team is small and you must be used to working with the minimum of supporting staff. Age from 40.

Résumés including a daytime telephone number to E J Robins, Executive Selection Division, Ref. R434.

Coopers &Lybrand associates

Coopers & Lybrand Associates Limited management consultants

Shelley House Noble Street London EC2V 7DQ

#### FINANCE IN THE **COMPUTER INDUSTRY**

National Advanced Systems is a subsidiary of National Semiconductor, one of the world's most successful producers of electronic components. We market and service IBMcompatible mainframes and peripherals throughout Europe, and are now at an exciting stage of our development enabling us to offer two important positions based at our European Head Office in Hounslow:

Field Operations Finance Manager

high technology, including some management experience.

Working closely with line management both in Europe and at headquarters, the successful applicant will review and monitor a significant part of our European business. He or she will be expected to introduce policies and procedures to ensure the efficiency of the organisation; to review results and formalise strategies and business plans. Occassional overseas travel will be necessary. Candidates, ideally aged 30-35, should have ACMA or ACA qualifications and preferably a background in

Financial Planning Analyst

The successful applicant will liaise with management in Europe and the US in formulating European annual and bi-annual operating plans. He or she will also produce a European monthly forecast and

Applicants, ideally in their late 20's, should be graduates with an MBA or Accountancy qualification and the ability to handle a key staff role.

Both positions call for positive personal qualities and offer excellent opportunities for career progression. Salaries are negotiable and there is a comprehensive range of employee benefits.

Please write with full CV to: .

Cathy O'Rouke Personnel Administration Manage National Advanced Systems (Europe) Corp 65 Staines Road Hounslow TW3 3HF

National Advanced Systems

# Banking & Financial Services Manager

**Treasury Department** 

Digital is one of the world's largest and most successful manufacturers of minicomputers and peripheral equipment. Our continued growth has created an opportunity for a financial professional with Treasury experience to join our Reading based UK Treasury Department as Banking & Financial Services Manager.

On a day-to-day basis you will report

to the UK Treasury Manager and functionally to the European Banking & Financial Services Manager. Heading up a smail support team, your responsibilities will include cash management, banking relations, pension fund investment and performance monitoring, benefits financial analysis and Treasury planning for Digital

operations throughout the UK. To be considered for this rewarding role, you must have at least eight years' financial experience, including direct

Treasury experience, ideally gained within an industrial UK multi-national or the UK subsidiary of a US Corporation. Proven analytical and problem-solving skills, as demonstrated by an MBA, as well as the potential to assume increasing managerial responsibility are

also essential qualifications. To reflect the importance of this post, we offer a highly attractive salary and benefits package together with relocation assistance, where appropriate.

Please write with a full C.V. to David Baker at Digital Equipment Co. Ltd., Digital House, 252-256 Kings Road, Reading, Berks. Or telephone Reading (0734) 583555, quoting ref: 122.

#### Jonathan Wren Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

BOND SALES £15,000+

International merchant bank seeks an experienced, sales-oriented Eurobond Executive who will maintain and develop relationships with investing clients.

Additional knowledge of Japanese equities would be helpful, although not essential.

SENIOR CREDIT

F.X. DEALER

International bank with L.D.T. status in London seeks a capable F.X. Dealer, 25-35, with several to \$15,000 + bonus years' all-round dealing experience, to expand and develop this area of activity with a view to full Junior management appointment at London Branch of one of the largest international banks, for a Credit

CREDIT

OFFICER

to £9,000

ANALYST

to £13,500

Analyst with 3-5 years' relevant experience in international banking. The appointee will supervise 3 analysts engaged in appraisal of (mainly) U.K. lending proposals. Opportunity for an ambitious banker (late 208) with manimum 18 months' credit analysis experience in City banking, to move into progressive, well-rounded

INSPECTOR c. \$10,000

credit/loans rôle at active, well-respected international Qualified A.I.B., with substantial experience in bank inspection, required by international bank to audit an extensive U.K. branch network. Superb working

F.X. SUPERVISOR Aged 27+, for major European bank in London. to \$3,500 Candidates should have 2-3 years' experience in a supervisory rôle, with knowledge of all aspects of F.X. processing.

For further details, please telephone Richard Meredith or Paul Trumble.

First floor-entrance New Street 170 Bishopsgate London EC2M 4LX 01-623 1266

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# Information **Systems**

SOUTH EAST New appointment

**Remuneration Package** circa £14.000

Our client is a prestigious financial institution with diversified home and international interests. They wish to appoint a professional data base systems designer to play a key role in the introduction and enhancement of a new and comprehensive range of banking and financial applications, using their newly-installed computer facilities. The systems now being developed are confined to the applications of the UK based operations but potential exists for these to be developed in the context of the

Applicants should be able to demonstrate a broad exposure to data base design in a mini-computer environment and should have had personal involvement in the implementation of at least one major system using recognised data base management software Experience in the financial services sector is preferred.

The position offers an interesting opportunity in a secure but progressive environment. The status and remuneration package will be commensurate with the importance of the position but will obviously be a function of the age and experience of the individual

To apply, please send a CV or write or telephone for an application form to JOHN KITCHEN, at the address below quoting reference G884. Applications are invited from either sex.

BIS Applied Systems Limited York House, 199 Westminster Bridge Road



#### MANAGEMENT CENTRE ASSISTANT DIRECTOR

UNIVERSITY OF BRADFORD

of Management, Development **Programmes** 

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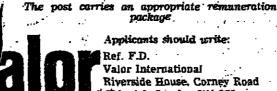
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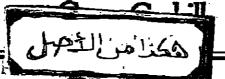
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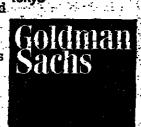
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## Twisted cues

by B. A. YOUNG

I'm an enthusiast for Sullivan; from D'Oyly Carte, for they all less so for Gilbert; much less knew every song, and indeed so for D'Oyly Carte, whose unmhers even if they hadn't changing productions, with their numbers even if they hadn't slavish audiences have kept been asked. I haven't heard changing productions, which all the state of light opera such as the French and the Austrians have. So it's not only a pleasure but a relief to hear John Judd in his oneman patrol round the operas (two-man if you count Paul Knight the pianist, who is the straight man too). He sings all the best male-voice songs, and some of the female, though with no intrusion into the treble clef; and sings them very well, never feeling compelled to do D'Oyly Carte business with them. Well, he suggests it sometimes, but with his tongue sliding towards

with his tongue sliding towards spells, an American G and S fan of last century, dear little Buttercup, a pirate king, a policeman, an aesthete and a puts in a bit of his own comedy and a bit of Gilbert's; I could have done with a little less of that, but though his jokes may interval, he does The Mikado in have seen their best days, he five minutes (I timed it) among puts them over nicely. He also other things. The whole thing persuades the audience to collaborate with him, both in songs and in business. I thought he must have hired an audience other timings. The whole timing is good fun. To have kept the house so amused on Tuesday of all nights was no small must have hired an audience

Riverside Studios

## Domestic Affair

by MICHAEL COVENEY

Club, attached to the Royal of five girls there are two Court and visiting Hammer middle-class victims, a West Court and visiting Hammer-smith, aver in the final song of Fraser's unpretentious little play that wife-bashing is not just a domestic affair. It is, we are left to conclude, a full-scale social problem. Dyspeptic misogynists who believe battered wives are an invention of the Guardian Women's Page jump off here.

The all-female company has researched case histories with the Chiswick Family Rescue Home. The result is a depressing but chastening experience, devoid of superficial gloss and crackling with the noise of wally was a pickled gherkin.
marital warfare. Here is a James Pettifer's The Wally, the
litany of beatings, rape, babies
new Soho Poly lunchtime play,
threatened with knows, women turns out to be an acronym of assaulted with pokers. A small Asian girl is the latest recruit, together and sharing their

Jenny Rodd has written some

~ \$32.03

The Activists Youth Theatre fantasy sequences. In the group Country mother, the silent recruit in a white shift, and a crop-haired teenager whose infatuation with a leather-clad ceremoniously drummed out of her. The script is particularly good in its glancing treatment-of sexual impulse and Catherine McCall's workshop production, despite an ominous design of cardboard boxes and scuffed flooring, just passes theatrical muster.

Biographies of Sir William and Sir Arthur are incorporated

throughout the evening, though only on the most basic level. We

do actually see Gilbert diving

into his fatal swimming-pool, but

the risk of ending on a down-best note is avoided by bringing

him back at once to dance a

cachuca in his Victorian bathing-suit with Mr. Knight, also in a

Victorian bathing-suit, under a strobe light. Mr. Judd is not a

quick-change artist, but he is a

many-change artist, appearing as

a judge, a dealer in magic and

sentry before we even break for the interval. After the interval, he does The Mikado in

In my Cockney childhood, a the White Alliance for Law, Liberty and Youth. A farmer's doleful and catatonic, imper-wife discovers his allegiance to vious to the laughter of women this fictional neo-Nazi group finding their voices by being and turns for advice and sympathy to an old student friend. There is some sharp discussion on what happened to political pertinent, ingeniously melodic optimism, but the piece is tech-songs that break up the con-nically clumsy and badly fessional interludes and wry directed.

#### Benson and Hedges Gold Award 1981

The 1981 Benson and Hedges arrange a recital for the winner Gold Award Competition for in one of their properties and concert singers will again be engagements will also be offered held in two stages. The first by the Aldeburgh Festival and round will take place in London on August 19, 20 and 21.

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chosen to come to Snape Maltings, Aldeburgh for the three final stages which take place during the annual Benson and Hedges Music Festival.

The organising committee have decided to after the age a four week season of new qualification by abolishing the dance from March 24 to April lower limit of 25 years. At the 19, featuring performances by

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**Record Review** 

## From the house of the dead

by MAX LOPPERT

From the house of the dead. Zahradnicek, Zidek, Zitek. Jedlicka/Vienna State Opera Chorus, Vienna Philharmonic/ Mackerras. Decca D224D 2 (2 records in box).

Jenufa. Benácková, Pribyl Krejcík/Brno Janácek Opera Chorus and Orchestra/Jilek. Supraphon 1116 2751/2 (2 records in box). Diary of one who disappeared.

Pribyl, Márová/Kühn Female Choir/Pálenícek (piano). Supra-phon 1112 2412.

The third issue in Decca's Janácek opera series, conducted by Charles Mackerras and re-corded in Vienna, is the Dostoyevsky adaptation From Janacek opera, and the most remarkable. This is not its first recording, but it is the first to be given fully as the composer intended it. In collaboration moments of piercing compassion, but by its seeming discontinuities of manner. In each act essays have been a feature of the series, Mackerras has established a text pruned of those orchestral thickenings supplied, after Janacek's death and be-fore the 1930 premiere, by assistants who mistook its unprecedentedly sparse scoring for unfinished or even illfinished work.

Mackerras has also corrected details of the vocal line, and stand convicted of incoherence. restored the original, harshly powerful ending—though the day of the sentimentalized finale contrived by Bakala and Chlubna (and preserved in the Universal Edition score) was in experience, of reality, memory, fact already done by the time and fartasy, is held in an extra-Supraphon came to publish its ordinarily sure and perceptive 1964 Prague recording, con-dramatic balance. In this per-ducted by Bohumil Gregor. To formance, mastery of each compare the two sets is to episode and comprehension of the offstage choral utterances

as translated by Mackerras and the Vienna Philharmonic: the sonorities high and low with no middle, unblended combinations instruments, and violent, brilliant contrasts of hard timbre are the very substance of this gaunt but elating music drama. Filling of any kind is out of place; it plays no part in Janácek's imaginative concep-

Mackerras' London performances of the opera must count among his highest achievements. Of this recording (which has just taken the Gramophone Record of the Year award) the same must be said. He per-mits no doubts about the form there emerges from out of the succinctly detailed narrative a long monologue (in the third act there are two), a recounting by a single character of painful events suffered long ago in the outside world and still vividly recalled in the Siberian prison. These episodes would seem to bear little direct relation to the narrative; the opera ought to

That it doesn't is because, as in Berg's Wozzeck (an opera that won Janacek's enthusiasm late in his life), the interaction of inner and outer worlds of affirm the unrepeatable genius the whole structure go hand in all sound too near.

of Janácek's aural imagination hand. The orchestral introduction provides a useful example of Mackerras' command of the laconic Janácek idiom, with its repetitions and poignant lyrical disclosures; his unforced intensity and directness; his muscular, unsentimental control of incident. The beautiful timbres of the Vienna Philharmonic are functionally, never self-cons-ciously, displayed; the music seizes the listener's intelligence and emotions equally.

For one reason, however, I

shall not want to dispense

entirely with the Gregor/ Supraphon set, for all its enriched orchestration and

direction comparatively lacking in tautness. The two recordings Supraphon and Decca-mark two successive generations of Czech Janácek singers (three names are common to both); on the earlier, the singing of key roles strikes me as more characterful. Beno Blachut, who for Decca contributes a touching cameo of the Old Prisoner, makes on Supraphon a much more ounded characterisation of the embittered Luka Kuzmich than Decca's Jiri Zahradnícek; Ivo Zídek, simpleton who plays the Skuratov on both, was a more touching interpreter as well as a freer-voiced singer nearly two decades ago; and in Shishkov's agonising long tale, which brings the last act to its grandly piled climax, Premysl Koci (Supraphon) commands a range of dramatic nuance far wider and more telling than Decca's strong, blunt Vaclav Zitek. And for a modern digital recording of notable amplitude, clarity, and atmospheric presence, the Decca shows one curious flaw:

hearing really beautifully sung shines out of the speakers, in a full, truly formed soprano tone of heart-easing sweetness and strength. The rest of the cast is unequally worthy of her. The veteran Vilém Pribyl, Laca as on the earlier recording, has retained much of the unique boyish charm and candour of his tenor — but not, strangely, the freshness of his portrayal: much of what he does seems tainted by routine. Not so the veteran Kniplová, who once again throws herself unsparingly into the role of the sextoness; but the curdled clouded vocalisation and a hectic, unremitting force of utterance add up to a kind of melodrama essentially alien to Janácek. The conductor, Frantisek Jilek, is lyrical, and his Brno company responds sympathetically; the recording is ill balanced — orchestra recessed, voices far forward. For Benácková, worth hearing. And for the opera

> It is good to have a magnificent song cycle, Dairy of one who disappeared, back in the catalogue in the original language; and good to have Pribyl back on communicative form as its protagonist. He seems to do little in the way of inflexion, colouration, phrase-shaping; he "just sings." in a way that touches to the core of the boy who loves a gipsy and runs off with her to find a liberation of soul so ecstatically hymned towards the close of the final song (Pribyl's top Cs, though hardly Corelli-like, are real notes). Libuse Márová's rich tones are well heard in the gipsy's seductive phrases; the pianist Josef is a symptom of sanity in our

itself - need I extol yet again

its beauty, its honesty, its great-



Helen Field and Arthur Davies

Dominion

## Welsh National Opera

by MAX LOPPERT

ham Court Road for another short season. They bring with them an adventurously off-centre repertory of works infrequently seen in the capital in recent years—two performances each of The Cunning Little Vixen and Die From ohne Schatten and one of Rodelinda. A Handel opera seria, the most exhausting of the Strauss operas, and the Janácek most demanding of imaginative re-

sourcefulness: who can deny

that this is our boldest opera company? Only a brief welcome for Tuesday night's opening Vixen; David Pountney's production (shared by the Scots and the Welsh, and first seen at Edinburgh last August) has already been fully discussed on this page. Dominion offers the orchestra no invigorating direction a balance was held between voices and

Armed once again by Amoco, the Wedding Scene) seemed un-the Welsh have invaded Totten- usually fast. What a marvelusually fast. What a marvel-

> And what an extraordinary, life-enhancing, difficult opera! The inventiveness of this production, so prolific and so tightly unified in visual and dramatic patterning, ensures that the awkward moments sweep untroublingly by, and that the placing of human and animal levels is entirely clear. Throughout, I sensed an underlying streak of cuddly cuteness in Mr. Pountney's handling of his actors that slightly but notably diminishes the pain and wildness that are no-less inextricably a part of the opera: the image of children in fancy dress doing head-over-heels on scatter-cushions is not always wholly true to the whole of the music.

But for the tireless energy of pit; under Richard Armstrong's the cast, their ability to strike careful, loving, yet muscularly and sustain a mood, there can be only praise—whether or not one agrees with the terms of have shown how much "speaking" eloquence can be drawn from those short, pregnant piano nuggets. To paraphrase Isaiah Berlin on Verdi, Janácek's assured place in the high canon of the musical art, to which these records all testify. energy and blissful snatches of master). Richard Morton repose, were demonstrably the real thing even when Mr. Armand too many others to name, strong's tempi (such as that for only a small, grateful mention.

Sadier's Wells

## Rambert ballets

The second programme of the Rambert season is the quadruple bill upon which I reported at the start of the company's tour in Oxford a few months ago. Now, as then, it is dominated by the revival of Tudor's Dark Elegies. The concentra-tion brought by the present cast seems to me to be very fine. Not a gesture is wasted, not a pose seems gratuitous: the proportions of the work, its essential directness and avoidance of emotional decoration, are everywhere respected. If Sally Owen and Quinny Sacks are especially

to be noted in the first and

detracts from the seriousness and dedication of the ensemble. Dark Elegies has regained in this staging a distinction of utterance that I thought had been lost. The other Tudor piece in Tuesday's programme, the black joke of Judgment of Paris, lacks Elegies' conviction: it is too re-mote in its view of night-club naughtiness, and its satire no longer has any edge. The three Georg Grosz divinities go

> the cause is lost. In Christopher Preludes and Song and Richard Alston's Rainbow Ripples the dancing of Michael Clark was of exceptional merit. He is à young dancer of long, elegant line, able to give movement a lightness that comes from beautiful placing of head and shoulders, and from unclouded thing he looks stretched, his

> through their exhausted paces

with suitably rachitic charm, but

The Bruce Preludes do not improve on acquaintance there sprightliness about much of the choreography that is cloying. The clean, unfussed energies of Rainbow Ripples look even better at a second viewing. The verbal canons and comments of the Charles Amirkhanian text, and the insinuating marimba charms of the "Rainbow charms of the "Rainbow Ripples" that close the work, are matched in dance with real felicity: the ballet is as fresh and immediately attractive as its coloured strobe/image setting by David Buckland. I think it a delight.

I must apologise for the gremlin which involved itself with Bronislava Nijinska in Monday's review Spring, when her version of Les Noces was ascribed to her clarity of dynamics. In every-brother: Nijinska, not Nijinsky was intended. CLEMENT CRISP

Elizabeth Hall

## John O'Conor

by DOMINIC GILL

nique, correct and perceptive in his musical manners. He is altogether an agreeable performer:. although nothing we heard at his Beethoven recital on Tuesday evening actually went so far as to broaden our perception of the music, or positively to surprise us with any original insights into four familiar

He began his programme with exposition of the "Pathetique" sonata op. 13, nicely balanced, wholly unquirky—and never outstandingly characterful. The recent quality of the piano timbre matched the dramatic impact: intelligent, sensibly modulated, sonata op. 31 no. 3 was similarly expressive, ready to please.

The Irish pianist John lucid and observant; the de-O'Conor is a very civilised musi- livery possessed all the necesclan, well-schooled in his tech-nique corrective in commitment which transcends any level of competence.

Some glow was missing: and

any glimmer of hard temper hard steel. Most engaging of his op. 31 was the minuet drawn out in gracious cantabile but he gave the finale as measured allegro, smoothing all traces of the comper's presto con fuoco—a fundamental mis apprehension of that power an admirably clean and clear fully savage movement's nature (did one detect in such gentlemanly choice of tempo the influence of one of Mr. O'Copor's teachers, Kempff?). He ended with the "Waldstein" sonata op. 53; and introduced it with the six op lacking in inner colour, inner 126 Bagatelles, each one a life. His account of the E flat model of careful study, politely

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Lloyds Bank Limited has reduced its Base Rate from 14% to 12% p.a. with effect from Wednesday, 11th March 1981.

The rate of interest on 7-day-notice Deposit Accounts and Savings Bank Accounts is reduced from 111/2% to 9% p.a. The rate of interest paid on credit balances on Cashflow Accounts is reduced from 10% to 8% p.a. The change in Base Rate and Deposit Account interest will also be applied from the same date by the United Kingdom branches of

Lloyds Bank International Limited The National Bank of New Zealand Limited and by Lewis's Bank Limited

Hoyds Bank Limited, 71 Lombard Street, Lon

## Mr. Reagan and the New Right

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

REAGAN came to power pro-mising greater predictability on foreign and domestic policy. The Cynical observers in Washingstration has in mind is compatible with existing American obligations.

the following ment, in a positively cavalier manner, pulls the rug from under the Law of the Sea Treaty and then at the weekend summarily dismisses all its. guardian. negotiators. The President himself casually discloses that the U.S. will not submit to the Senate the fisheries part of its bilateral treaty with Canada. In both cases, vested commercial interests had made their opposition well known.

#### Shopping list

Equally blithely, the Administration declares that the promise made by President Carter in 1978 only to sell arms to Arab nations under carefully controlled circumstances is no longer valid, because the security question in the Gulf is no longer the same. Noting this, the Government in Taiwan assumes that Mr. Carter's promise not to sell it offensive weapons for fear of offending the People's Republic is no longer valid either, so it prepares its own shopping list.

This administration is also showing scant regard for the sensibilities and needs of the third world. This is surely a prime reason why the law of the seas treaty is suddenly in limbo: it explains why foreign aid, and especially U.S. contributions to the international development institutions, is feeling the worst of budgetary cuts: it is given graphic testament by the nomination of a man to supervise American human rights policies, Dr. Ernest Lefever, who believes the U.S. should not have a human rights policy

munist world.

Domestically, the record is beginning to take on a similar federal funding for legal aid to the poor seems to cut to the heart of the premise that in this country nobody should be denied access to the law: after and criticism remains scattered. all, in the U.S. it is often neces- This may not last long.

V/Radio

† Indicates programme

6.40-7.55 am Open University

(Ultra High Frequency only). 9.00 For Schools, Colleges. 12.42

11.00 am). 4.20 Secret Squirrel.

unless it is directed at the com-

RONALD sary to take out a bank loan

The casual declaration that President Carter's policy of apton are beginning to wonder if pointing more minorities and the predictability his Adminiwomen to the federal bench-which did not, by common consensus, result in a lowering of judicial standards—is bull and void, and hereinafter to be apparently disparate events of placed in the preserve of Rethe last week: The U.S. Governpublican senators, is of great symbolic significance. In the eyes of the disadvantaged, the Republican party has not necessarily been considered their

A major reason for the clear trend is that the doctrinaire conservatives, excluded in the first government appointments. are making their presence felt. Senator Jesse Helms from North Carolina, their spiritual and effective political leader. is now riding hard on the Government, which seems unwilling or, more sinisterly, unable to resist him. The consequences will be felt

at home and abroad. For example, the "new right" intent on outlawing abortion not only in the U.S. but. to the extent nossible overseas. Indeed, the language of a Bill which Mr. Helms is sponsoring would also, in the opinion of independent observers, place many restrictions on contraception; at his Press conference last Friday the President implied support for it. This could well mean that the U.S. will withdraw its support from those international efforts designed curb global population growth, which, again by com-mon consensus, is widely seen as one of the biggest threats to world security in the future.

#### Disarmament

And, of course, the new right has little interest in strategic arms control. It is a testament to the power of the movement that the U.S. arms control and disarmament agency (ACDA) is still leaderless. It reflects a reordering of U.S. priorities that, in the pre-planning for the Ottawa economic summit, the north-south section has essentially been given an east-

west slant, at U.S. insistence. As yet, Mr. Reagan is still enjoying his honeymoon and U.S. public and media reaction

## Arbitration: an unsatisfactory process

IN THE perennial battle between justice and the law, justice has been having a pretty bad time recently and law has been eminently successful in making an ass of itself. After the Lords decision in

Bremer Vulkan\* there is no hope of stopping interminable arbitration proceedings by an application to a High Court judge; and after their decision in Chikuma\*\* every gazumping shipowner can recall his ship when he can show that the bank has deducted from the hire a to GAFTA. fee not provided for in the charterparty. There are many cases of long

delays in arbitration, and many in which quite unnecessary appeals are made to the courts and are decided with a formalism denying the fundamen-tal principles of arbitration. But parties from all over the world are still bringing their disputes to London, so that one must ask whether the cases which come before courts are really significant. A number of questions comes

arbitrations? Who does them? How much do they cost? Why Arbitrators in London has some

3.500 members, but of these only about 300 are on the "active panel." To get there they have to pass exacting tests. tration, the most influential associations are the London Martime Arbitrators' Association (LMAA) and the Grain and Feed Trade Association (GAFTA). And work is by no

means evenly distributed among the 300 on the "active panel."
There are about 15 well-known LMAA arbitrators who are very busy, and about half of them are probably so busy that it can be neither good for their health nor for the speedy handling of disputes and the same applies

There are around 23 firms of . London solicitors specialising in martime arbitration which until recently, had little competition from elsewhere. But gradually specialised law firms are emerging in Hamburg and Bremen, in Italy, and in Poland, where Gdynia has become an important centre for the arbitration of disputes involving Czechoslovak, East German and Polish shipping.

arbitration business is quite impressive. Around 10,000 to mind. How numerous are appointments are made each year-the fee payable on How much do mey control are they taking so much longer only half of these appulation than they used to? And, finally, actually lead to arbitration awards. The other half of discontinuous actually lead to arbitration awards. appointment is only £30-but putes is settled between the parties or their solicitors without the arbitrators' assistance. Of the actual arbitration awards, about 3,000 concern

The volume of the London

Commodity disputes used to decided by two or three, and maritime disputes by one two or thre arbitrators. 1979 Arbitration Act brought about a change. There has to be either one or three arbitrators, and this is a pity because of a room is between £100 and

1,000 arbitrations are in the decided in one or two days," one between £600-£800. He will, of field of housing construction, Around 40 per cent of all awards are made by a single arbitrator.

decided in one or two days," one between 2000-2500. He want two of the leading London arbitrators course, arrive with one or two juniors, and the juniors get paid at the rate of between one third one or two days," one between 2000-2500. He want two course, arrive with one or two juniors, and the juniors get paid at the rate of between one third one half one half one half one half one or two course, arrive with one or two days," one between 2000-2500. He want two course, arrive with one or two days," one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. He want two course, arrive with one or two days, one between 2000-2500. part of the trouble was that the barristers' art originated in ICC rules and concerning hydrotimes when the jurors could not read and had to be told everything, and possibly more than

What are the costs? The hire

#### **BUSINESS AND THE COURTS**

BY A. H. HERMANN, Legal Correspondent

it means paying an extra man, £300 a day. If a transcript of which is not always necessary. Traders who regularly use arbitration for the settlement of their disputes nearly always appoint the same arbitrator, one who knows their business and whom they trust. In 60 per cent of cases the two arbitrators used to meet and settle the case within an hour or two. These are the easy cases, usually dealt

with after 6 pm or on Saturdays. Most of the arbitrator's time is taken up by the remaining 40 per cent of cases in which the parties are, represented by solicitors. In about half of these legally assisted disputes the solicitors bring in barristers hey have to pass exacting tests. martime and commodity dis- and as soon as counsel appears. In the field of foreign arbi- putes, some 700 are architec the time is trebled. "Still in

the proceedings is required is an agency providing parliamentary shorthand writers at a fee of £600-£700 a day. The arbitrator is cheaper, taking only about £200-£250 a day. Xeroxing of evidence often thousands. Solicitors charge £60 an hour plus up to 100 per cent "uplift" in the

case of an international dispute: Money really starts flowing and up. when counsel is brought in. For taking a brief in a relatively simple case which may be comthis rises to £45,000 or £50,000 for more complicated cases. Engineer
This fee covers the "silk's" humbly. appearance on the first day. For superior brains."

In a recent case decided under dynamic testing tanks, the costs of arbitration amounted to £360,000 and yet this was a case which (according to authorita-tive opinion) could have easily been settled without elaborate arbitration for an allowance of

£70,000. Nearly all of the marine arbitrations in which solicitors are involved are submitted for judicial review. An appeal to court is a good way out for a solicitor who has to tell his client that the arbitration tribunal has decided against

With the formalistic and technical approach now sanc-tioned by the House of Lords, a legal flaw justifying appeal can be found in nearly every case. And the issues disputed between the parties often undergo a remarkable trans-

. Some arbitrators are resigned to this process. Mr. Cedric involved in arbitration.

Barclay, one of the leading Reseme Volkan Schille. pleted in a week's time, the international maritime arbitra-counsel will get say £8,000 and tors and president of the Society of Consulting Marine Engineers, told inc.

easy for an arbitrator. It is more difficult for the parties in dispute who catter spending a fortune, receive a decision which deals with their original dispute

only marginally or not at all. This costly and unsatisfactory process is due to several causes: one is the inordinate precision with which London solicitors like to work, collecting much superfluous evidence. Another is the backing of litigants by

In the Chikuma case the ship owner's legal costs were met by the rich Protection and Indemnity Club. Any shipowner who is a member of a protection club, and has his case approved by the club, can take it to the House of Lords without fear of the consequences. This may be why shipowners seem to be winning case after case.

Those who are not in such a privileged position should put a limit on the costs they are prepared to spend at the time they are instructing their solicitors or, if they have a house lawyer, to let him present formation as the case goes up the case without outside help, as is the case with some of the biggest companies frequently

Beemer Vulkan Schittbau und Maschinentabrik V. South India Ship-ping Corporation (this column 29.1.81 and F.T. European Law Latter Pabruary

\*\* Awilco v. Fulvia "The Chikuma" this column 26.2.81, and F.T. Euro Law Letter Merch 1981).

## Tribute to much respected breeder

learned of the death of Mr. yearling Edward "Ruby" Holland-Martin, who achieved such remarkable success with his Overbury stud over many years.

From the time the 160-acre stud was switched from the breeding of hunters and point-

#### RACING

BY DOMINIC WIGAN

to-pointers to high-class bloodstock, just over 40 years ago, success has followed success.

The Tewkesbury stud is recognised internationally as one of the finest sources of

MANY WILL be sorry to have recently when an Overbury ing fears over the outlook for fetched 270,000 That yearling, a colt guineas. by Great Nephew, was out of Word From Lundy, the Overbury mare responsible for the Derby and King George VI and Queen Elizabeth hero, Grundy.

Other well-known winners

produced by the stud during 'Ruby" Holland-Martin's time included Whistler, Guinea Sparrow, Money For Nothing, Tower Walk, Mummy's Pet, and Parsimony. Tim Holland-Martin, joint

owner of the Overbury stud, has been its manager for some time, and many more winners are likely to be forthcoming.

The abandonment of today's Wincanton programme through water-logging has brought the number of meetings lost this season to 47 and there are grow-

House on the Prairie. 5.15 Connerdale Farm.

5.45 News.

7.30 Bognor.

11.00 Camera.

Rae.

6.00 Thames News.

10.00 News. 10.30 Thames Report.

11.30 Three's Company.

6.35 Battlestar Galactica.

.8.30 TV Eye: El Salvador. 9.00 Hill Street Blues.

12.00 What the Papers Say., 12.15 am Close: "Sit up and

All IBA Regions as London

except at the following times.:

S.15 am Jobline (guide for the jobless in the region). 1.20 pm Anglia News. 6.00 About Anglia. 6.20 Arena. 5.35 Crossroads. 7.00 Survival. 10.30 Backethall—Walkers Crispa Meater Tournement: 11.30 Kats Loves a Mystery. 12.25 am The Living Word.

1.20 pm ATV News. 3.45 Leave It To Charlie. 4.20 Vic the Viking. 4.45 Little House on the Prairie. 6.00 ATV News. 6.05 Crossroads. 6.30 ATV Today. 7.00 Emmerdale Farm. 10.30 Here and Now presented by Zie Mohyeddin. 11.30 ATV News. 11.35 Lou Grent.

BORDER

1.20 pm Border Rews. 5.15 The New Fred and Barney Show. 6.00 Looksround Thursday. 8.25 Crossroads. 7.00 Emmerdale Farm. 10.30 Wintersport. 11.30 Border News Summary.

CHANNEL

1.20 pm Channel Lunchtime News, What's On Where and weather. 6.00 Channel Report. 6.35 Crossroads. 7.00 The Making of a Crew. 10.28 Channel Late News. 10.36 The Jazz Series (George Chisholm/Carol Kidd). 11.30 News and weather in French.

GRAMPIAN

Listen" with Dr. John

8.00 The. Incredible

Cheltenham.

if necessary burdle races on the first two days may be staged on the old course. If this happens the 21 mile and three mile one furlong events, will be started by flag. The old hurdles course was last used in

The Jockey Club has decided that if the first day of Cheltenham is abandoned, the alternative order of running for the Wednesday will be as follows: 1.05 Mildmay of Flete Chase; 1.40 Sun Alliance Novices Hurdle; 2.15 Queen Mother Champion Chase; 2.50 Waterford Champion Hurdle; 3.30 Sun Alliance Chase; 4.05 Coral Golden Hurdle; 4.40 National Hunt Chase; 5.15 Waterford Stayers' Hürdle.

HTV

SCOTTISH

SOUTHERN

TYNE TEES

ULSTER

Celebration (Arnold Bennett portrayed by Freddie Jones). 11.30 What The Espers Say, presented by Barry Askew, addor of the Lancashire Evening News.

October. For group bookings 101-836 7358 or 91-379 6061,

COMEDY THEATRE S. CC. 01-930 2578. Limited season until 23 May only. Evenings 7.15 Mat Thury 2.00 (note early start). The National Theatre smash-hit production from the Cottesio of ARTHUR MILLER'S THE CRUCIBLE. Directed by Bill Bryden.

CRITERIGN. 5. 930 3216. CC 379 6565
Grb. bkg. 836 3962 or 379 6061 Eves
8. 54t b and 8.45. MARTIN CONNOR
DAVID DELVE, TRICIA GEORGE, FETER
REVUE TO MODIFIE CONTROL
REVUE T

GLOBE, S. CC. 01-437 1592. 01-439 6770 SEASON ENDS MAY 15. Standing from Tonight E1.50 & E2. ROWAN ATKIN-SON IN REVUE. Mon.-Fri. Evgs. 8.0. S2t. 6.0 & 8.45.

Belmont editions). 6.35 Crossroads. 7.00 Emmerdale Ferm. 10.30 With A Little Help. 11.30 George Hamilton IV.

5.00 am AM: Bob Holiness end Douglas Camaron. 70.00 Brian Hayas. 12.00 18C Reports. 7.00 pm London Life (includes fatures on wintage pop and films). 9.00 Mike Dickin's Nightline. 12.00 LBC Reports Midnight. 1.00 am Night Extra. 4.00 The London Interview. 5.00 Morning Music.

Capital Radio

6.30 am Mike Smith's Breakfest Show, 10.00 Michael Aspal. 12.30 pm Graham Dene. 1.00 First Report. 1.90 Graham Dene (contunade). 3.00 Roger Scott. 7.00 London Tonight. 9.00 Nicky Home. 11.00 Tony Myatt's Late Show. Richard Allinson's Night Flight.

COLISEUM, S. 836 3161. CC 240 5256. Until April 4 LONDON FESTIVAL RALLET. Ergs 7.30. Mat Sat 2.30. U. til Sat Rudolf Nurerer's sectacular ROMEO 6 JULIET. Ton't Desutter. Johnson, From Mon: COPPELIA.

SADLER'S WELLS THEATRE ECT. Tel. 01-837 1972-1873-3886. Credit Cards 10 are to 8 om 01-278 6571. Until March 21 RALLET RAMBERT EVS at 7-30 Tonight Preludes & Sons, Judgment of Parts. Rainbow Ripples. Dark Elegies. Tomor Sat & Mon Landscape, Judgment of Paris. Rainbow Ripples. Black Angels. Tue Wed & Thur next New Work-Keyter, Rite of Soring Dark Elegies, This £1 to £5.

THEATRES

AMBASSADORS, S. CC. 836 1171. Evgs. 8.0. Tues, Mat. 3.0. Sat. 5.30 and 8.30. I. 8. PRIESTIEY'S Mystery Play DANGEROUS CORNER. Accisimed revival of Priest-qv's most popular play.

APOILO. CC. 01-437 2663. DIANE LANGTON EEN CROSS IN I'M GETTING MY ACT. TOGETHER and Taking it on the Road. OPENING MARCH 31 AT 7.8. Reduced pike previous from Mar. 28.

BUKE OF YORK'S. S. 836 5122, Evening: 8.0. Sacardays 3.00 and 8.30. FRANCE: de la TCUIR. DAVID de KEYSER In TOM KEMPINSK'S DUET FOR ONE. CYCH CARDS ONE OF SERVICE SER DRURY LANE, Theatre Royal, Tel. 826 8108, THE BEST LITTLE WHORSHOUSE IN TEXAS, Evs. Mon. to Thur. 8.0, Fig. 2 Set. 5.30 & 8.30. Group sales Box Omcs. 379 5061.

GARRICK, S. CC. 01-835 4801. Evenin 8.0. Until March 21 MAX WALL,

GREENWICH THEATRE. S. CC. 858 7755.
Opens Tonight 7.0. Subs. 8.0. Mal. Sats.
2.30. CONSTANCE CUMMINGS in THE
GOLDEN AGE. A new play by A. R.
Gurnoy.

MAYMARKET, Theatre Royal, CC. 01-930 9832. LAST WEEKS, SEASON, MUST END APRIL 18. BOOK NOW! Eyes, SO, Magnic Smith, VIRGINIA. A new play by Edna O'Brien from the lives and writings of Virpinia and Leonard Woolf. Directed by Robin Phillips, Lateconters may not be admitted.

KINGS HEAD. 226 1916. Diff. 7. Show 8. UP IN THE '80s by Neville Phillips and Robb Stewart. LYRIC, S. CC. 01-437 3686, Evenings 8.00. Wed. 3.00. Set. 5.30 and 8.30. DINSDALE LANDEN, NICOLA PAGETT IN ALAN AYCKBOURN'S TAKING STEPS.

Tomor 7.45 THE LEADY OF THE PLANT OF THE PRINTER.
COTTESLOE (small auditorium—low price tkts): Font to Sat 7.45 THE TICKET-OF-LEAVE MAN by Tom Taylor.
Excellent cheap seris from 10am day of perf all 3 theatyes. Also standby 45 mins before start. Car park, Resustant 928 tofore start. Car park, Resustant 928 2033. Credit card bigs 928 5933.
NT also at the COMEDY THEATRE.

NEW LONDON THEATRE, CC. Drivi-Lane, London, W.C.I. 01-405 0072 Opens April SD. Frest, from April 22 CATS. MISSICAL BY ANDREW (LOYD-WESSER BASED OF POSSIM'S BOOK OF ARACTICAL CATS BY T. S. EMOT. CATS. Additional Bay Office fat normal theatre prices; The Ticket Contre by Wyndham Theatra, St. Martin's Court. Charles Cross Road, London, W.C.Z. 01-2440 2150, BDX OFFICE MOW OPEN!

OLD VIC. 928 7516. CC 251 1821. S. Until 21 March. extended by popular request. Mon. to Set. Ews. at 7.30. War and Sat. at 2.00. Nishons and John Kani in Walting For Copport.

ALACE S. CC. 01-437 6834. RODGERS & HAMMERSTEIN'S ORLANDOMA! Evis. 7.30. Mats. Wed. and Sat. 3.00. Group booking 01-379 5061. Better selection of saats available Mon. Thurs.

**THEATRES** THEATRES

WYNDHAM'S. S. 01-535 3028. Codi card bigs. 379 6565: Mon.-Fri. S. San. 6 & 8.43. Dario Fo's farce ACCHOERTAL DEATH OF AN ANARCHIST.

ARC 1 & 2 SHAFTESHIRY AVE 336 8861. Sep. Peris ALL SEATS BKBLE. 1: FLASH GÖRDÖN (U). WK. & Sun-2.00. 5.15. 8.15. **CINEMAS** 

CLASSIC 1, 2, 3, Haymarket (Piccoully, Circus Tube), 01-839, 1527, Last, perts. bogkable all screens. 1: RAGING BULL CO in Dolby Stereo. Progs. 12.20 (not Sun.) 2.55. 5.30. 8.25 (doors open 8.00). (doors oper 8.00).

3: THE JAZZ SINGER (A) in Dolby
Stares Sep. perfs. 12.35 (not Sm.).

5.05. 5.35. 8.30 (doors open 8.00).

CLASSIC 1. 2. 3. 4. 5. Orderd St. 01-635 0310. Opp. Terbanium Cr2. Rd. Tobe. Fully sir conditioned. 1: THE LONG GOOD PRIDAY OC. Pross. 1.30, 1.50. 6.10, 8.30. 2: COAL MINER'S DAUGHTER (A). Props. 12.45, 3.75, 5.50, 8.25. S: PRIVATE BENIAMIN (AA), Press. 1.20. 3.35. 5.50, 8.10, 4: GRDINARY PEOPLE (AA): Pt 12.50, 3.25, 8.00, 8.30.

5: ARPLANE (A). Progs. 1.00. 3.00. CLASSIC, Leicester Square, 01-830-8515. THE EXTERMINATOR (X), Progs. 12.50 (not Sun.), 2.45, S.25, 8.00

CURZON, COTZON Street W1. 498 5757; BURT LIANCASTER SUSAN SARANDON IN LOUIS MALLES ATLANTIC CITY (A) Film au (ex. Sun.). 45, 620, 840. ODEON HAYMARKET (930 2738-2771).
ALIEN (X) 15 - 8ACKI in 70 mm am
Stereo sound. Sep. progs. Wiss. 145
4.50, 8.00. Sen. 4.20, 7.45. ODEON MADRIE ARCH WZ (723 2911-2)
HIE EMPIRE STRIKES BACK (91. Sen.
Procs Drs Open Dly 2.30, 645. 42te
Night Show Sat CONCERT FOR MANGLADESR (U). Drs Open 11 pm.

ODEON LEICESTER SCHARE (030 511).
Jane Fonda Lily Tomin, Dofty Parton
NINE TO FIVE (AA). See Proce To Once Wis 1.15, 4.20, 7.30, Sep 1.00,
7.30, Lite Night Show Fri & See Dro
Open 11.15. PRINCE CHARLES, Letc. Sq. 427 3151 British Premiere Presentation CALIGULA COL. Sep. parts, 619. (Inc. 5mn.) 2.75 5.30, 8.45. Letc. show, Saty 14.59, Seats blobe. Letc bar.

ART GALLERIES

ROWSE & DARBY 19. Cork St. W1. 734 7984, DODY STRASSER & JENNY GREWATTE EFEVRE GALLERY, 30, Bruton St., Wi-01-493, 1572-3, 20th Century Works on view, Mon.-Fri, 10-5. MATHAF GALLERY, 24. Mottomb Street London, SW1. 235 0010. Socialists in 19th C. and Contemporary Pathings of ARABIA.

CLUBS

SANDFORD GALLERY, COVER 45. Market Building, WC2, ALAS 61St one-man show. Mon.-Sat. 1

IVE has orthred the others because of a policy of fair play and value for money. Soppey from 10-3.30 am. Disco and top stuticians, planorous hostesies, exciting stuticians, planorous hostesies, exciting figurahows, 168, Repent St. 734 0957. GARGOYLE, 62. Desa Street, London, WI.
NEW EROTIC FLOORSHOW
CLOSE ENCOUNTERS
11-3.30 am, Shows at Midnight and 1 am,
Mon.-Fn. Closed Sturters, 0.1-437 8455.

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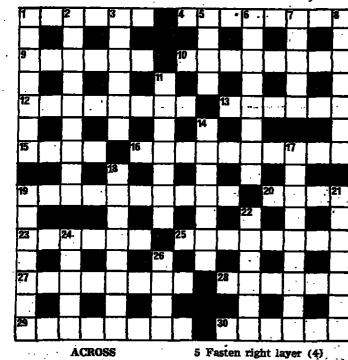
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F.T. CROSSWORD PUZŽLE No. 4,517

time (8) 9 Tolerate finish in front of 11 Make a revised copy of comriver (6)

10 Animal to restrain with 14 Endeavour to obtain employbackward rush (8)

model (8) 13 Urgent entreaty to the southeast to satisfy (6)

15 Under engagement to arrive 19 Put gas in boiler for a heliwith direction to fight (4) 16 Powdered and mixed a bit

that anglers put down. . . .

19 .... to attract these common swimmers (6, 4)
20 Stakes needed by water-polo players (4)

23 Beginning on loan to television (6) 25 Dressing put around game tendon (8) 27 Incited and demonstrated all right within (8) 28 A soft fruit is to be manifest

29 Tip dairy mixture with speed (8) 30 Annual value split with a learner (6)

3 Package which vehicle take

DOWN 1 Soaked difficult editor (7) 2 Group of stars dead Roman

confused (9)

1 Formality employed by a 6 Bring ashore female imi-4 Stand nevertheless before 7 Ring that may be square (5) 8 Sincere pledge (7)

ment (7) 12 Nominator in favour of 17 Reconciliation in a tone met around the north (9) Type of daisy ring I'd follow,

> 21 According to the letter it's a wrong letter (7) 22 Taste a small portion of the whole (6) 24 Assemble a body of soldiers

26 Morally crooked type of grass (4) Solution to Puzzle No. 4.516



5.35 The Perishers. 5.40 News.

8.30 Sorry! 9.00 News. 9.25 Brave New World. 11.03 News Headlines.

pm Regional News for England (except London). 12.45 News. 1.00 Pebble Mill at One. 1.45 2.00 You and Me. 2.15 Day. All Regions as BBC1 except as

For Schools, Colleges. 3.09 Claire Rayner's Casebook. 3.53 Regional News for England (except London). 3.55 Play School (as BBC2

Weather for Wales.

5.55 Regional News Magazine For Schools (Around Scotland).
and Nationwide.
5.20 Nationwide.
5.21 Regional News Magazine For Schools (Around Scotland).
12.40-12.45 pm The Scotland News.
3.25-3.55 The Afternoon Section 1 6.55 Tomorrow's World. 7.20 Top of the Pops 8.00 Hi-De-Hi! Scotland.

11.05 Question Time with Robin

CYMRU/WALES - 10.10-10.30 am I Ysgolion: Hwnt Ac Yma. 4.25 Jackanory. 4.40 Scooby and 2-15-2.35 pm I Ysgolion: Ffenestri.

bloodstock. This was reflected 5.55-6.20 Wales Today. 6.55-7.20 Heddiw. 12.05 am News and Scrappy Doo. 5.00 John Craven's Newsround. 5.05 Blue Peter.

SCOTLAND - 10.10-10.30 am 5.55-6.20 Reporting Scotland. 8.30-9.00 The Current Account Report. 12.05 am News and Weather for

NORTHERN IRELAND-11.30-11.50 am For Schools. 3.53-3.55 pm Northern Ireland News. 5.55-6.20 - Scene Around Six. 9.25 Sportsweek. 9.55-10.25 You and Your Rights. 12.05 am News and

Weather for Northern Ireland. ENGLAND-5.55-6.20 pm Look East (Norwich); Look North (Leeds); Look North (New-castle); Look North West (Manchester); Midlands Today (Birmingham); Nationwide (Lon-don and South East); Points West

Square Peg," starring Norman Wisdom.

Sky at Westminster Abbey.

Camillo. 10.20 The Mike Harding Show.

LONDON 9.30 am Schools Programmes. 12.00 Gideon. 12.10 pm Stepping News plus FT Index. 1.20 Thames

1063kHz/285m 1089kHz/275m

RADIO 1:

(Bristol); South Today (South-ampton); Spotlight South West (Plymouth). BBC 2 6.40-7.55 am Open University. 11.00 Play School. 5.15 pm Open University.

15.40 King of the Rocket Men. 5.55 Maggie. †6.20 Music Hall Greats: "The

7.45 Mid-Evening News. 8.00 One Hundred Great Paint-

The Little World of Don 9.30 Man Alive.

10.50 Newsnight.

Radie Wavelengths

5.00 am As Redio 2. 7.00 Mike Read.

9.00 Simon Bates, 17.00 Andy Peables. 12.30 pm Newsbeet, 12.45 Paul Burnett. 2.30 Dave Lee Travis, 4.30 Pater Powell. 7.00 Wheels with Dave Lee Travis, 8.00 Richard Skinner, 10.00-12.90 John Peel.

9.25 am First, Thing. 1.20 pm North News. 4.20 Project UFO. 5.10 Police News. 6.00 North Tonight. 6.35 Cross-roads. 7.00 The Electric Theatre Show. 10.30 Cover to Cover. 11.30 Peria. 12.25 am North Headlines. GRANADA News. 1.30 Together. 2.00 After Noon Plus. 2.45 The Racing 1.20 pm Granada Reports. 14.20 Movie Matinee: Leurel and Hardy in "Our Relations." 6.00 Granada Reports. 6.25 This la Your Right. 6.25 Cross-Game. 3.45 In Loving Memory. 4.15 Dr. Souggles. 4.20 Little

4 200kHz/1500m & 92.95vhf

BBC Radio London; 1458kHz, 206m & 94.9vhf 3 1215kHz/247m & 90-92.5vhf str Capital Radio: 1548kHz, 194m & 95,8vhf London Broadcasting: 1151kHz, 251m & 97.3vtd

and piano recital (S). 11.39 South German Radio Symphony Orchestra (S). 1.05 Manchester Midday Concert (S). 2.00 G.B.S. on Music (S). 3.05 Ida Haendel violin and piano recital (S), 4.55 News. 5.00 Mainly for Pleasure (S). 7.00 Talking About Music (S). 7.30 Radio Theatre 81 (S). 9.00 Haydn plano music (S). 9.70 The Red Hand of Ulster. 9.30 Chicago Symphony Orchestra (S). 10.00 Patterson (S). 10.30 A Life in Music. 10.50 Woods. 11.00 News. 17.05-11.15 Shelius (S).

and piano recital (S). 11.30 South

RADIO 4 RADIO 4
6.00 am News Brieflag. 6.10 Farming Today. 6.25 Shipping forecast. 6.30 Today, including 6.45 Prayer for the Day. 7.00, 8.00 Today's News, 7.30, 8.30 News Heedlines, 7.45 Thought for the Day. 8.35 Yestarday in Parliament. 9.00 News, 9.05 Checkpoint. 9.30 The Living World. 10.00 News. 10.02 Enterprise. 10.30 Daily. Sarvicas. 10.45 Morning Story. 11.00 News. 11.05 File on 4. 11.50 Engulre Within. 12.00 News. 12.02 pm You and Yours. 12.27 Brain of Britain 1981 (S). 12.55 Weather: Programme News. 1.00 The World at Ons. 1.40 The Archers. 1.55 Shipping torscast. 2.00 News. 2.02 Woman's Hour 3.00 News. 2.02 Wuthering Heights by

Emily Bronte (S). 4.60 Fritz Spiegl's Musical Alphabet. 4.15 Bookshelf. 4.45 Story Time. 5.00 PM: News Magazine. 5.50 Shipping forecast. 5.55 Wasther; Programme News. 6.00 The News. 6.30 Any Answers? 8.55 It's a Bergain. 7.00 News. 7.05 The Archers. 7.20 Time for Verse with Jen: Couzyn. 7.30 The Hallé Orchestra (S) (part 1). 8.20 A Sideways Look Art. by Anthony Smith. 8.35 The Hallé Orchestra (S) (part 2). 9.30 Keleidoscope. 9.59 Weether. 10.00 The World Tonight. 11.00 A Book at Bedtime. 11.15 The Financial World Tonight: 11.30 Today in Parliament. 12.00 News. BBC Radio London

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at 7.00 L'Africaine.

1.20 pm: HTV News. 5.10 Joblina Newsdeak. 5.20 Crossraeds. 6.00 Report West. 6.30 Happy Days. 7.00 Emmerdale Farm. 10.28 HTV News. 10.35 Your Chance. 11.05 S.W.A.T. ALDWYCH, S. 836 8404, CC. 379 6213, 110-6. Sets 10-41, Info 835 5332, ROYAL SHAKESPEARE COMPANY Ton't, Tomor 7.30. Set 2.00 & 7.30 JUNO AND THE PAYCOCK by Sean O'Casey, Judi Denchiviliner of four awards as Jumo, With Peter Nichols' PASSION PLAY (19 March). Prestel booking 22023. Group Sales 379 5061. RSC also at The Warehouse-Piccadilly.

10.35 Your Chance. 11.05 S.W.A.T.
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except: 9.30-9.45 am About Wales.
12.00-12.10 pm Owen s'r Olion. 4.15
Clapperboard. 4.45 Ser. 5.10-5.20
Cartoon. 6.00 Y Dydd. 8.15 Report
Wales. 6.30-7.00 Sports Arena. 10.35
Basil Hume O.S.B. 11.35-12.30 am
S.W.A.T. 1.20 pm News and road and weather.
3.45 Life Begins at Forty. 5.15 Traveller's Tales. 5.20 Crossroads. 6.00 Scotlend Today. 6.20 Action Line. 6.30 Nature Wetch. 7.00 Embardele Farm. 10.30 The Jezz Series (Ronnie Scott Quartet).
11.30 Lete Call. 11.35 Tenspeed and Brown Shos.

ARTS. 836 2132. Mons to Sets 8 pm. JOHN JUDD in TWISTED CUES & ELLIPTICAL BALLS. An affectionate look at the lives & music of Gilbert & Sullivan. £4, 53, 52.

1.20 pm Southern News. 5.15 Betty Boop. 5.20 Crossroads. 6.00 Day by Day. 6.30 University Challenge. 7.00 Emmerdale Farm. 10.30 Your West-minster. 11.30 Father; Dear Father. 9.20 am The Good Word. 9.25 North
East News. 1.20 pm North East News
and Lookaround. 3.45 Father Dear
Father. 4.20 The Fatherstor Four. 4.45 East News. 1.20 pm North East News and Lookaround. 3.45 Father Dear Father. 4.20 The Fantastic Four. 4.45 Tarzan. 6.00 North East News. 6.02 Crossroads. 6.25 Northern Life. 7.00 Emmerdale Farm. 10.30 North East News. 10.32 Northern Scene. 11.00 Come in H You Can Get In. 11.30 Soap. 12.00 The Value of Things.

1.20 pm Lunchtime. 3.45 Life Begins at Forty. 5.15 Cartoon Time. 5.20 Crossroads. 6.00 Good Evening Ulster. 6.50 Police Six. 7.00 Emmerdale Farm. 10.20 Ulster weather. 10.30 Counterpoint. 11.30 Bedtime. WESTWARD

WESTWAKD

12.27 pm. Gus Honeybun's Birthdays.
,1.20 Westward News Headlines. 6.00
Westward Diary. 6.35 Crossroads. 7.00
Westward Report. 10.32 Westward
Late News... 10.36 Jazz Series (George
Chisholm/Carol Kidd/Morrissey-Mullen
Band). 11.30 Faith tor Life. 11.35 West
Country weather, shipping forecast. YORKSHIRE 1.20 pm Calender Naws. 3.45 Bill.
Peggy. Royal and Friends. 4.20 Survival. 4.45 Little House on the Prairie.
6.00 Calendar (Emley Moor and Belmont editions). 6.35 Crossroads.

5.00 sm As Radio 2, 6.30 Rush Hour.
9.03 Morning Star. 70.03 The Robbie
Vincent Telephone Programme.
12.30 pm London News Desk. 12.40
The Tony Fish Total Music Show. 2.30
Tony Blackburn. 5.00 News. 5.15
Music on the Move. 6.33 Openings.
7.03 Black Londoners. 8.00 As Radio 1.
10.00 Question Time Irom The House
of Commons. 11.00-5.00 am Join
Radio 2.

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MIH AND

## A plan which leaves all the difficult decisions for the future

harsh taxation proposals, the Government now at least has a set of well defined policles for implementing its admit the likely overrrun and medium-term financial strategy should have a close look at the Expenditure White Paper issued with Wednesday's

What emerges at first glance is an apparent " realism " about the political feasibility, of achieving large and rapid spending cuts in the midst of a re-cession. Swallowing his pride. the Chancellor holds out no prospect of a reduction in public spending between the current financial year and the next one. And since the current year's public spending is already 2.5 per cent above the target plans also targeted a further very large cuts in public spending ultimately has fall of 1.2 per cent between spending will become possible unpopular measures. However, 1980-81 and 1981-82—this means from 1982 angular Waller and 1981-82—this means from 1982 angular was a sumption that public spending ultimately has public to be paid for with highly unpopular measures. However, fall of 1.2 per cent between spending will become possible 1980-81 and 1981-82—this means from 1982 onwards. He has al-

NYBODY who thinks ing will be about 3.7 per cent year and the next one will bring unemployment in the short 1984 are projected for the De- of Treasury optimists—the sothat after the Chancellor's higher than projected a year him no closer to the original

At least this time the Chanto take the nasty fiscal decisions required to pay for it.

This, it may be argued, will save the Chancellor's new plans and his medium-term strategy from being overtaken by events in the same way as his efforts last year. On closed inspection. however, it looks as though all the Chancellor has done in fact has been to lay out a plan which leaves all the difficult decisions and all the political challenges to be faced in future years, perhaps by his successor.

For his medium-term financial strategy, even after the tax increases, still that next year's public spend- ready conceded that the current rather than reduce, the rise in expenditure between 1982 and

aim of cutting public spending the Chancellor's policies will promising to concentrate the in spending in the planning external whole of this cut in just two years; with a 1.6 per cent cut projected in 1982-83 followed by one of 2.4 per cent in 1983-84 the last year before the Gen-

There is little by way of explicit policies, either in the White Paper or in the Budget statement, to explain how such ambitious targets are likely to be achieved.

Some Treasury Ministers may believe that in future Cabinet ened by yesterday's tough Budget, which has shown that if the Budget measures increase,

this way during 1980-81 and

£1m in 1979-80 to £3m in 1981-

1982-are budgeted on "other

support services." These mainly

cover the costs of implement-

ing the Finniston report on the

engineering profession and of

increasing some small firms'

industrial support" also rises

from £3m in 1980-81 to £5m in

1981-82. Research and develop-

ment support similarly goes up

from £108m to £124m. These in-

creases take account of last

November's £50m research and

achieving a large reduction in

the public spending figures by

cutting the external financing

tries were totally thwarted this

relying on state corporations to

provied his biggest source of

public spending economies

medium-term strategy in 1984.

year assume that BSC's external

The biggest setback for the

between now an othe end of his 1983-84, an increase of £300m

vear. But the Chancellor is still.

The Government's hopes of

public purchasing package.

A general item called "future

Marginal increases -

discussions which begin in a few months' time. In fact the achievement of

medium-term spending now depends more crucially than ever on the prospect of an economic recovery from 1982 onwards. If this recovery does not materialise or if it proves more sluggish than allowed for in the (unstated) assumptions which were used in drawing up the public spending discussions on public spending plans, then adherence to the their hands will be strength. could require even more politically difficult decisions about swingeing new cuts in public spending or further tax

By far the biggest falls in

The other major overspenders

term, it is equally possible that partments of Industry, Energy, called "relative price effect." Trade and Employment by 4.1 per cent in the four actually make it more difficult (£1.56bn in 1980 survey pricescellor has had the courage to years up to 1984. Now he is for him to enforce further cuts between them; and in the financing of the nationalised industries. This is projected to fall by no less than £1.7bn between 1981-82 and 1983-84 after a decline of £850m between the current year and the next. Whether the rapid unwinding of special employment measures, of aid industry and of support for. the state corporations which sector. these figures imply, is consistent with the modest growth rate of 1; per cent per annum which is predicted for 1982-84 in the financial strategy remains to be seen.

> The other element of possibly wishful thinking which the Chancellor has not eliminated from his calculations, despite his intention to present plans which are as realistic as possile, is the perennial standby

the cost of goods and service a change in its policies on public (including labour) used by the investment. public sector with price movements in the economy as a whole. The White Paper's assumption that public sector costs will rise somewhat more slowly than inflation during the next financial year looks less reliable now than a few months ago, after the escalation

Apart from doubts about the plausibility of the Chancellor's medium term spending cuts, the White Paper raises another even more fundamental economic The breakdown of between current question. spending

spending and capital investment in 1981-82 shows the continuing drift from investment to current spending in the public sector. Over the past year, several Ministers as well as industry

CONSTRUCTION AND HOUSING

shift, but there is nothing in the This figure relates changes in Government's plans to suggest

In particular, there is no

indication that certain of the nationalised profit - making industries will be able to raise additional funds to increase their investment programmes beyond the allowances already made in their external financing limits. This will come as a blow not only to the nationalised industry chairmen concerned but also to their suppliers in of union militancy in the public the private sector and to the Confederation Industry, which had argued that public investment will have to be the main engine of recovery

from the recession. There is one reform which makes a favourable relative price effect more plausible. It hoped that the decision to plan next year's public spending in cash, rather than in the

Whitehall is accustomed, will help to ensure tight discipline in the cost of public spending. If Departments find that the

cost of the goods and services they buy is rising faster than been anticipated during the planning process, there will be a presumption that they will have to cut spending volumes, seek other economies or become more efficient.

If they do overspend their money will not simply be added to their Departmental Budgets but will have to come directly tingency reserve which will be enlarged Chancellor more direct control over departmental overspendoccurred this year in the Defence Department.

Anatole Kaletsky

#### **INDUSTRY**

## Ministers cling to old hopes

past .12 months of the Government's attempts gradually to reduce its spending on industry and employment was dramatically illustrated in yesterday's White Paper,

A year ago, it was planned that there should be reductions La of some 50 per cent in aid to Th industry by 1982-83. These projections, published with last year's March Budget, set out to fulfill the Government's Last year's forecast general election pledge that it This year's forecast would disengage from industry.

Now these cuts have been to prop up ailing industries and cope with unemployment. This will leave only relatively minute amounts of increased funds for spending on research. and small

Last March, Sir Kenth Joseph. Industry Secretary, said when the 1980 forecasts were being published: "We hope to have a steel industry which is self-sufficient, and we also hope to have selfsufficiency in other areas." That hope has now vanished, at least for the next couple of years along with over-optimism about BL Rolls Royce and the levels of unemployment.

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Supple State of State

prepared entirely to abandon its reason that the total figure of original hopes. Perhaps with more optimism that realism, the White Paper continues to 1981-82 target.

project a sharp fall off in much. The rest of the Industry Deof the aid in 1983-84, although it is acknowledged in Whitehall .tinuing decline in aid to the

budget (excluding major manc ing of nationalised industries tions in payments and receipts. but including BL, Rolls-Royce and steel and shipbuilding decreasing-from £91m in 1980redundancy payments) has 1981 to £47m in 1981-82. This rocketed from an estimate of is partly because payments for 1910m made a year ago for sectoral aid schemes launched 1981-82 to £1.5bn. The 1981-82 by the last Government are now estimate has risen £690m. to tailing off.

continuing financial demands of expenditure savings by dispos- Joseph allowed for last March BL and RR which, like British ing of Industry Department to £1,121m. The plans for next Steel and British Shipbuilders, loans to the private sector. In have defied Ministerial hopes all, loans totalling some £50m

GROWING PLANS FOR SPENDING ON INDUSTRY TOTAL DEPARTMENT OF INDUSTRY BUDGET (excluding nationalised industries but including BL, Rolls-Royce and grants

	•				 			
					•	£m at 1980	Survey Pri	ces
					<b>80-</b> 81	81-82	8 <u>2</u> -83	83-84
ast	year <sup>3</sup> s	forecast	:		1,278	910	690	_
his	year's	forecast	;		1,324	1,554	1,070	690
:_			i		 	·		
				•				

1981-82.

activities.

Last year's forecast 735 Including issues of Public Dividend Capital but excluding grants.

abandoned. Major increases TOTAL DEPARTMENT OF EMPLOYMENT BUDGET are being allowed for in order This year's forecast

NATIONALISED INDUSTRIES NET BORROWING\*

that they would quickly become are expected to be "sold" in self sufficient. BL and Rolls-Royce are to-

gether taking up £580m of the £640m increase for 1980-81. The remainder is being spent on extra redundancies in the steel and shipbuilding industries and on a £50m research, development and public purchasing aid package' announced by the Chancellor in his economic measures last November.

But Ministers still hope that BL and Rolls-Royce will stay evels of unemployment. within their latest financial But the Government is not "budgets" and it is for this just over £1bn for 1982-83 is about 50 per cent down on the

partment figures show a conthese forecasts are not National Enterprise Board, but a temporary increase in certain limits of the nationalised indus- expected to be less, but still The Department of Industry's -types of selective aid in assisted areas oecause of to General selective aid is also

In addition, the Government This is mainly caused by the started in 1979 to make public the £450m which Sir Keith in the short-working.

were British Airways, which

required £304m instead of the £230m which had been budgeted, British Shipbuilders, which needed £165m instead of £120m and British Rail which took £790m instead of £750m. All these increases in EFLs were agreed by Ministers fairly early in the course of the financial year. But British Telecom obtained a surprising eleventh-hour revision of its EFL from £78m to £223m only last week-less than a month from the year end. This, coming on top of the other EFL revisions, has cast grave doubt on the effectiveness of cash limits in restraining nationalised industry borrowing.

Given the extreme difficulties experienced in recent years in controlling the external financing if the state corporations, which are in essence commercial bodies subject to the vagaries of market forces, but which are treated by the Treasury as if they were in permanent receivership the Chancellor's reliance on nationalised industries to provide £2.45bn of public spending reductions (out of total cuts of £2.75hn) between now and 1984 does not help the credibility of his whole medium-term spending strategy. The sharp increases in provisions for the Department of Employment's budget start with the 1980-81 allocation rising by

year ago to £1.75bn. For 1981-82 the estimate rises sharply from £1.1bn to a record In 1982-83 the expenditure is remain higher than had been to £1.4bn. Unlike industrial support projections, it stays relatively high-at £1.3bn-for

£500m above the figure expected

above last year's estimate. The fall-off in the amounts Government's plans occurred in being forecast from 1982-83 the steel industry, whose stem from an expected decline financial requirements rose from in the rate of redundancies and

> John Elliott and Anatole Kaletsky

#### TRANSPORT

#### **Priorities** remain the same

THE FALL in support by the Government for transport services and roads is to contime in 1981-82, with a reduction of about 1 per cent to 11 per cent planned comwith the levels originally set out in last year's White Paper on public expenditure plans.

Transport is planned to account for £1.208hn of the total planned central Government spending of £58.655hn in the coming financial year. In addition, local authorities -supported by central Government through the rate support grant—are forecast to make a total of £1.202bn current expenditure Transport in 1981-82. All figures are at 1980 survey

The planned overall total -including £652m of capital spending by local authorities on transport in 1981-82, to be spent on transport services and roads—comes to £3.062bn for the new financial year. This compares with £3.171bn estimated in the White Paper to be spent in the current financial year.

Of these totals, the Transport Department is expected to account for £2,719bn in But this total is planned to fall to £2.65bn in 1982-83 and to remain at this constant level throughout

By contrast, the Transport Department spent a total of just over £3.9bn in 1975-76. This total then fell steadily until 1979-SO when the total rose by £53m to £2.954bn only to fall again in 1980-81 to £2.8bn.

Spending on motorways and trunk roads in the new financial year is planned to stay at about the same level 1979-80, although the figures reflect the 2 per cent cut on all programmes controlled by cash limits announced by the Chancellor in November

British Rail's total external finance limit for 1981-82 was announced in November as £920m. This was the highest financ limit for any national ised industry except the British Steel Corporation but it included £53m to pay for the "transitional costs volved in British Rail's decision to withdraw from the loss-making collected and delivered parcels business in June this year.

The grant ceiling for BR's passenger services was set at £678m for 1981 calendar year at 1981 prices, an increase of £23m in aid compared with the forecast support of £655m in last year's White Paper. However, the final figure for aid for the passenger services in 1980 calendar

year was £670m at 1981 prices. This puts the increase in support for British Rail in the current calender year at only £8m, or just over 1 per cent compared with the out-The level of net borrowing

by BR is forecast to decline on the assumption that it will achieve the interim financial targets set out for the rail business and agreed jointly with the Government. Invest-ment in BR is assumed to continue at the levels of £291m for 1981-82 at 1980 survey prices, £328m for

1982-83 and £334m for 1983-84. The figures given for British Rail's investment ceilings to 1984, however, make no allowance for the transfer of BR assets to the private sector, which the Government plans to carry out under the Transport Bill now going through Parliament. BR wants to see private investors take a share of Sealink, British Transport Hotels, British Rail Hovercraft and a large part of the non-rail property portfolio of BR

The National Freight Company is also to be sold off, in its entirety, to the private

vestment ceiling increased by £13m by the Government to help pay for the transitional costs involved in the withdrawal of BR from the collected and delivered parcels market, where NFC supplied the lorries under contract to

#### Plans give little comfort to hard-pressed industry THE GOVERNMENT White March last year. In particular, fallen behind most of its EEC Paper spending plans for 1981- nationalised industries, under 1982 provide very little comfort pressure from rising public investment.

for Britain's hard-pressed construction industry, new in the failed to meet capital invest- structure as a proportion of middle of one of the deepest ment targets. recessions for more than 40

capital expenditure on construc- 8 per cent instead of 3 per cent tion work is planned to fall by a as planned. It had been pro-further 5.7 per cent. Public posed that nationalised indussector housing programmes are tries would increase their again the principal casualty.

programmes over the next year. cial year.

Other areas facing further cutbacks—of between 2.5 and 12.7 per cent-include transport, education and environmental services such as water and sewerage systems. The construction industry is

particularly concerned at the failure to increase spending on improving sewerage systems. Some of these are more than 100 years old and may be in imminent danger of collapse, Over the last year or so, sewers have collapsed in Manchester and Glasgow, and most recently

Construction spending on transport in 1981-82 is planned to fall by a further 2.5 per cent. increased spending by central by a decline in local authority country. construction expenditure on

warned that Britain is falling behind its major international Paper shows that while total of development land tax may competitors in terms of invest- current expenditure is planned also help housebuilders, while . infrastructure.

public sector spending on con-struction in 1980-81 was even The construction less than the Government had says that as a result of conbudgeted for it in its Expendi- tinued cutbacks on capital ture White Paper, published in spending Britain has already

sector wage settlements, have investment in transport infra-As a result, total capital

ears. expenditure on construction in In 1981-82 the volume of 1980-81 has fallen by more than capital spending on construction Public expenditure on housing by up to 33.6 per cent. In the is planned to fall by a further event, the rise worked out at 17 per cent in 1981-82, although no more than 8.3 per cent. The cuts in actual spending may be electricity supply industry. deeper if, as many local authori- expected to increase constructies fear, council house sales do tion spending by up to 22 per not produce the revenue cent, in fact spent less in 1980expected to finance building 1981 than in the previous finan-Current plans allow for a

12.5 per cent increase in construction expenditure nationalised industries in 1981-1982 but the construction industry-drawing upon its experience of the past months-is already worried that this target may not be met if current expenditure is not brought under stricter controls. year-

The shortfall in construction local authorities has added to the burden of the construction industry, which relies on the public sector for around 50 per cent of its workload. public sector accounts for more than 90 per cent of civil Government on new and than 90 per cent of civil get provide little comfort for the improved roads will be offset engineering orders in this construction industry. Although

oads. successive governments, having too late "say some developers— Since 1973-74; capital spend- failed to make any significant may help private housebuilders ing on construction as a pro- inroads into rising current portion of total public expendi- expenditure, have chosen the ture has fallen from around 14 easier route of making capital per cent to less than 9 per cent. cuts as a means of controlling The construction industry has public expenditure. The latest spending White

improved to rise by £280m (at 1980 survey prices) to £69.7bn; total capital Latest figures show that expenditure is planned to fall

competitors in infrastructure gross domestic product was already lower than any other EEC member except Belgium. As a proportion of GDP West Germany in 1977 was spending more than 2½ times as much." the Federation of Civil Engineering Contractors said yesterday.

The impact of continuing public sector spending cutbacks and more recently the intense squeeze on private sector investment in construction—as a result of the recession and the impact of the Government's high interest rate and mone tarist policies-has meant that UK construction output total has fallen by almost a fifth since 1973.

Last year UK construction output fell by a further 5 per cent-output has fallen in every year except one since 1973-and recent forecasts suggest that construction activity could decline by a further 6 per cent this

The industry has warned that spending targets in 1980-81 by unless Government policies are both nationalised industries and modified to encourage new housebuilding, the country will be facing a shortfall of some 300,000 homes by 1985. Against this background

public spending plans and the Chancellor's deflationary Budget provide little comfort for the the 2 per cent decline in mini-The industry complains that mum lending rate-"too little as the mortgage rate reduces. the assault on consumer spending launched on Tuesday by Sir Geoffrey Howe will not belp housing demand.

Moves to reduce the burden improved capital allowances on greater level of factory development. But these-moves are --The construction industry really at the margin of a far greater problem.

Andrew Taylor

#### LOCAL AUTHORITIES

## Grim satisfaction for the councils

comfort from the new public Paper. expenditure White Paper which shows them hitting virtually all jections allow for a further reshot most of its by a mile. Local 1983-84, both exclusive of houscouncils have been the only ing for which no broken down area to be able to make signifi- projections between current cant cuts this year and it is and capital are made beyond clear that they are expected to 1981-82. take most of the burden again

There is very little in the White Paper that was not expected since the revision of the last expenditure plans in November. It assumes local government will cut the volume of current expenditure by a further 3 per cent in 1981-82 and another 1 per cent in 1982-

The figure of a further reduction of 1 per cent for 1983-84 has been revised to 1 per cent. an insignificant change planned reduction of 0.7 per of presentation. The year after cent).

AUTHORITIES in that has been left out altogether,

The capital expenditure pro-

Council spending will continue to represent about a quarter of all public spending in 1981-82 at £19.2bn (at 1980) survey prices) out of a total £79.225bn. The measure of local govern-

ment's achievement in securing cuts is shown in the figures taking current and capital spending together for 1980-81. Councils reduced their spending by 6.9 per cent compared with central government soared by 4.15 per cent compared with a

Britain can take considerable as it has throughout the White about whether local government Government, a change in debitthat they can do no more while of 1980 for comparability. shows mem mining virtually and duction of 3 per cent in 1982- continuing to provide services. The figures demonstrate the central Government has over- 1983 and another 4 per cent in to the extent desired by their Government's own estimate of done more than enough to meet successive demands for cuts

> failed to play their part. Not everything is rosy in the local government garden however. The Financial Statement 18 per cent and allowing the Borrowing Requirement (coun- changing rateable values, leaves cils contribution to the PSBR) 16.5 per cent. up at £1.345bn in 1980-81, bringing the total sectoral borrowing

> requirement up to £2.5bn, an overshoot of £1bn on plans. Investigations as to how and why this went so badly astray Paper is virtually useless as are under way, with no clear an instrument for advance indications about the cause, planning,

Contributory factors were un-

doubtedly the retention of £200m

There is mounting doubt of rate support grant by the can or will achieve the 1981-82 credit ratios and some cash target. Many councils feel either adjustments in the last quarter

electorates, or that they have where this April's rate rises are likely to average out. The 1980-81 estimated out-turn for while central government and taxes on expenditure (which the nationalised industries have means rates for local government) is £8.7hn and the forecast for 1981-82 is £10.3hn. This gives a rate income increase of the Local Authority usual 1.5 per cent shift for

The reduction in the number of years for which projections are made and the complete -absence of detailed housing projections mean the White

Robin Pauley

#### SOCIAL SECURITY

## Minimum rise in benefits

THE FULL package of increases in social security benefits was unveiled yesterday Mr. Patrick Jenkin, the Social Services Secretary. In almost all cases the Government has pursued its tight monetary constraints to the utmost. raising benefits by no more than the legally required minimum. As already announced in the

Budget, pensions, sickness and unemployment rates which have to be price-protected, are lifted by 9 per cent-one point lower than the forecast 10 per cent inflation in the 12 months to November, because the last uprating overpaid by this

Child benefit allowances, which are also protected against price inflation, get the full 10 per cent rise because they were not overrated in the previous uprating. But this benefit level still remains lower in real terms against its value in 1979 when the Government took office.

ment of the annual Christmas confirmed that he would he bonus to pensioners and other beneficiaries. The Government gave pensioners a legal right to this bonus in 1979, whereas previously it was a "grace and largest single item in the favour" benefit. But there was not obligation given to revalue amounting to £27.4bn in 1981-82 the bonus to preserve its value. Accordingly, the bonus remains benefit payments are expected at £10-the amount paid when to increase steadily in real it was first introduced in 1972 terms over the next few years, by the previous Tory Government. In real terms the value 1980-81 and 1983-84. of the bonus has more than

The one exception made by the Government to its tight ment pensions accounted for 45 policy relates to the mobility per cent of total expenditure in improved by nearly 14 per cent eligible for pension benefits is from £14.50 to £16.50 a week, expected to continue, rising presumably as a response to steadily from 8.84m in 1980-81 the International Year of the to 9.06m in 1983-84

SOCIAL SECURITY WEEKLY RATES Retirement and widows' pension Married couple\* alidity pension—standard rate

27.15 43.45 Single person Married couple Unemployment and sickness Married couple 4.75 38.00 Widows' allowancet Maternity allowance invalidity pension . 16.30 \* 25p is added if each 80 or over. † Payable for Stat 26 weeks of widowhood.

November.

The increases in social security benefits will cost around £2bn in a full year, of which £11bn will fall on the National Insurance Fund and This tight monetary control the balance come from the has reached even to the pay Consolidated Fund. Mr. Jenkin reviewing contribution rates as usual in the autumn

Social security benefit payments continue to be the public expenditure programme, The White Paper shows that

rising by 8 per cent between Payment of old age pensions remains the largest single item of benefit expenditure—retire-

increased in line with the in 1981-82 and 2.7m in the years £2.8hn in 1983-84. Lynton McLain expected rise in fuel prices over 1982-83 and 1983-84. But unthe 12 months to November employment benefit may be

1981-nearly 18 per cent. This claimed only for 52 consecutive will protect the generous fuel weeks; thereafter, claimants assistance package given last must seek supplementary bene-

The estimated number of recipients of unemployment benefit—870,000 in 1980-81—is expected to rise to 1.14m in 1981-82, subsequently falling to 1.13m in 1982-83 and to 1.09m in 1983-84.

But the numbers claiming supplementary allowances is expected to rise steadily, from 1.415m in 1980-81 to 2.01m in 1983-84, the majority being longterm unemployment. This pattern is reflected in

the cost of benefits payment Unemployment benefit on 1980 survey prices will rise from £1.01bn in 1980-81 to £1.24bn in 1981-82, but drop back to fl.1bn in 1982-83 and 1983-84. Supplementary allowance payments will grow from £1.87bn in 1980-81 to £2.46bn in 1981-82.

The other major item of expenditure is child benefit allowances. Around 13.17m payments allowance. This is being 1980-81. The number of people were made in 1980-81 but this number should fall to 12.87m in 1983-84 reflecting one lower. number of births compared with the pre-1965 boom. Child bene-The expenditure estimates fit payments, combined with Mr. Jenkin also announced assume that the number of un-family income supplement, on Mr. Jenkin 3150 announced assume mat the supplementary benefit employed averaged 1.81m in 1980 survey prices, will rise employed averaged 1.81m in 1980 survey prices, will rise 1980-81 and will climb to 2.5m from £2.62bn in 1980-81 to

#### HEALTH AND EDUCATION

#### Forward planning difficulties expected FURTHER AND higher educa- 1981-82, and that figure stands. 1983-84 in line with the looks increasingly like the base

tion will have to carry most of But in 1982.83 a further cut of the cuts planned for education £68m is planned, followed by services in the White Paper and £60m the year after. Falling the combination of cash limits school rolls will not fully comand forward planning difficulties could eliminate the planned growth in the health service.

will have to merge some courses, drop some faculties altogether and increase the staff-student ratios to accommodate the new deep cuts planned between now and 1984. Current expenditure in this

field will fall from £1.08bn in 1981-82 to £1.03bn in 1982-83 and £990m the year after. The Government admits that this is also likely to lead to a cut in the number of students admitted to advanced further education courses.

expenditure for schools was cut increase of 4.4 per cent on gross public sector has yet settled at expenditure for schools was cut increase of 4.4 per cent on gross public sector has yet settled at from £3.91bn to £3.84bn for spending between 1980-81 and 6 per cent and 7.5 per cent

pensate for these reductions.

Capital spending on-education will fall by 14.2 per cent from Universities and polytechnics £331m in 1980-81 to £284m in 1981-82

Against this background of sharp current and capital expenditure cuts is a new and politically controversial plan for increased spending. A sum of £3m in 1981-82, rising to fism in 1983-84, is allowed for the establishment of the scheme for assisted places to allow pupils "who might not otherwise have been able to do to be educated at

independent schools. The figures for the National current Health Service indicate an pay. No group in or out of the

Government's commitment to maintain previously planned spending levels. A condition is that the NHS saves £25m by becoming more effective and using resources more efficiently. About 1.4 per cent of the increase is for 1981-82, which indicates maintenance of the figure revised last November from 1.8 per cent.

growth in health services in the volume figures completely The health service, unlike local authorities (which can use their rates), has no other source of funding than the Government. The cash limit is cause a tendency to hold back 11 per cent for prices (which may turn out to be slightly generous) and 6 per cent for

line—if not the going rate.
Viewed from this aspect, it is extremely unlikely that the NHS will in fact achieve any growth in 1981-82. In addition,

increasing inadequacy of the White Paper for forward planning purposes. A year has been dropped, taking plans only as far 1983-84, whereas health But this potential for slight authorities very often have to plan for up to 10 years ahead. They are effectively limited to disguises the eash limit plans for only two years ahead now, with the prospect of a revision at the mid-point of each financial year. This uncertainty is likely to

> idea of PESC estimates were supposed to eliminate. Robin Paulev

In addition, the health service suffers more than most in the

The NFC also had its inon planning on a wait-and-see basis which is exactly what the

Untying a \$100bn knot

By Our New York Staff

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Thursday March 12 1981

## Spain's case for entry

democratic Government in Spain diplomats from that of farm products. country are applying fresh presmind on the question whether Spanish membership now deserves our support.

There is little doubt that the attempted putsch has left Spanisch democracy looking much less sound than it appeared beforehand. In the direct aftermath of the seizure of Spanish parliament by the Guardia Civil, there were fond hopes that the outrage would somehow rally political opinion in Spain behind a purge of the armed forces and reforms which would reduce the role of the military in Spanish Govern-

#### Legacy

Subsequent events have only confirmed the difficulty of rooting out the military legacy of factory definitions of the roles of the Guardia Civil and the National Police.

In the first place it has become clear how widely organised and how nearly successful attempted coup was. In addition, there is the leniency with which application precisely in order to the rebels are being treatedthe majority of the Guardia Civil who stormed the Parliament have already been freed, and there have not yet been disciplinary proceedings against sections of the armed forces which were mobilised in support of the coup.

Even the Spanish Press-with one or two notable exceptionshas once again become muted in its criticism of the military. the ideal. Membership of the The image that remains is of an EEC is an aim shared by all uneasy stand-off in Spain between the advocates of democracy and the advocates of a return to military rule

These hardly seem creden-tials for membership of what was founded as a club of nations. doubts are re-inforced by the obvious difficulty of integrating the Spanish economy into the Community. Burdened with the problems of recession and of divergences between the economies of exist-next Monday and to reassure ing members; burdened with the need to form the community budget and reduce agricul-

TWO WEEKS after the narrow tural spending, the EEC could defeat of a military coup against well do without the arrival of Spain and its substantial output

Already it is common policy sure to speed up negotiations among the ten existing members for Spain's membership of the community that there European Community. Their should be no EEC agreement requests certainly concentrate covering Spanish agriculture imports until the existing membership has completed the review of the EEC budget and the reform of the Common Agricultural Policy due to get under way this summer. If Spain were to accede in early 1984, negotiations would have to be complete by late 1982. Given the vested interests and political emotions lodged in the CAP and EEC budget, a community which has failed to sew up a fishing agreement after six years of talk could well find it hard to meet that deadline.

Yet for all the political economic and technical problems looming over Spain's application, there is one basic consideration which makes effort to overcome them worthwhile. The original members of the Franco era: the independ- the EEC founded it "pooling ence and regional autonomy of their resources to preserve and the armed forces, the system of strengthen peace and liberty. military justice, and the unsatis- and calling upon the other peoples of Europe who share their ideal to join in their

> When Spain, as a fledgling democracy, applied to join the EEC in 1977 the existing membership welcomed the bolster Spain's democratic experiment It was only subsequently, when Europe began to take Spanish democracy for granted, that the practical problems began to outweigh the original motive in the minds of

#### NATO membership

The near coup has dispelled the illusion and should restore parties in the Spanish political spectrum: it is quite possible that if the EEC were now to show signs of rejecting. Spain, the country would turn in on itself and its historic problem. This could, in turn, reduce the chance of Spain joining NATO It is these larger political considerations which should encourage the EEC Council of Foreign Ministers to react posi-Spanish counterpart to Brussels him that their desire to draw Spain into the European Community remains undiminished.

## The overshoot in public spending

with its unpopular tax increases authorities, have been kept and its refusal to reflate, the Government's economic policy will be under heavy attack. But there are two diametrically opposed lines of criticism. One states that the Government's by the great over-runs in spendmedium - term strategy was intrinsically misguided and perverse. The other argues that it has been the Government's inability to implement its own strategy that accounts for the atmosphere of crisis in unemployed workers hit by the

. For those who subscribe to stands out against all the other developments in the Government's first two years in office: this is the failure to control public spending. On one level the Public

the Budget bears out this criticism. The public spending targets set for the attempts to implement the current year last March, when strategy had a much more the medium term financial serious effect on the coherence strategy was launched, have of the strategy itself than been exceeded by the wide margin of 2.5 per cent. For the first time since 1975 public spending has risen—and risen quite sharply—in relation to Gross Domestic Product. Furthermore, the plans for public spending next year show no reduction at all instead of 1.2 per cent cut promised for that year in the medium-term plans laid out last March. If spending in 1981-82 could have been kept within these targets, the savings of nearly £4bn might have obviated the tax increases imposed in the

However, it is much too glib to attribute the Government's setbacks wholly, or even mostly. to the failure to control public spending. For the overspending cannot simply be blamed on the ingenuity of self-serving public

There have, of course, been areas where political weakness or indecisiveness have contributed to overspending - most notably defence and the treatment of public sector pay comparability studies. But the majority of individual public spending programmes, includadministered by

within the limits set last March by the Government. The trouble with the Government's plans was that these economies were completely overwhelmed ing programmes which were linked directly to the level of economic output and employ-ment. If it had not been for gross underestimates in the cost of supporting industries and which the Chancellor's Budget recession, the Government's spending plans would not now be too far off target. The conclusion to draw from

this analysis is not that British the latter analysis, one failure Steel, for example, should have been allowed to go to the wall. It is that the original formula-tion of the meduin-term strategy and of the spending plans on which it depended should have been more realistic. Expenditure White Paper pub- Even more importantly, the policy errors which the Government made in its initial policy

Ministers seemed to appreciate. The Government's decision on fiscal policy in the last two Budgets and its inability to develop the instruments required to make monetary control more effective contri-buted to the unexpected depth of the recession. And so these same failures in macroeconomic policy must share the blame for the excessive growth of public

#### spending.. Interest rates

It is partly for this reason that the Chancellor may have been right to err on the side of caution in the fiscal judgment which he took in yesterday's Budget. If his measures succeed in stemming the recession
—which they should provided they lead to a further decline in interest rates in the near future—then the revised public spending plans for 1981-82 should prove achievable. Whether the same proves to be true of the much more ambitious plans for the next two years, on which the coherence of the mediumterm strategy still depends will be determined largely by the success of yesterday's Budget in laying the foundations for a sustained economic recovery.

#### TAX CUTS and spending cuts have grabbed the headlines on President Reagan's plan to revitalise the U.S. economy. But the new Ad-

ministration has also made it clear that a key element of the whole package will be an attack on the over-regulation that is said to be suffocating U.S. industry. Rules govern everything from the number of decibels that common earplugs are supposed to stop out to the price of ommodities like energy that affect everybody. In his budget address, Mr.

Reagan proclaimed that the U.S. had seen a "virtual explosion" in government regulation dur-ing the 1970s. "Between 1970 and 1979," he said, "expendi-tures for the major regulatory agencies quadrupled, the number of pages published annually in the Federal Register nearly tripled. . . ." All of which, he claimed, had helped jack up prices and unemploy ment, and choke off productivity.

But recognising that one man's regulatory burden is another's shield against dangerous machinery and poisoned rivers, Mr. Reagan hastened to assure the millions listening to his speech: "We have no intention of dismantling the regulatory agencies, especially those necessary to protect the environment and to assure the public health and safety. However, we must come to grips with inefficient and burdensome regulations-eliminate those we can and reform the others.'

Even so, Mr. Reagan was keen to signal his intentions right away. In his first days in office he scrapped remaining controls on oil and petrol prices, abolished the Council on Wage and Price Stability, suspended bookfuls of new regulations, and set up a task force under Vice-President Bush to tackle the whole subject.

The appointment of Mr. Murray Weidenbaum as chairman of the Council of Economic Advisers also underlined Mr. Reagan's thrust Mr. Weldenbaum is an expert on the cost Reagan attempting anything new. President Ford and Presito business of regulation. He estimates U.S. companies pay \$100bn a year to comply with Government rules.

- Mr. Reagan also removed about a dozen "Naderites" from agencies such as Auto Safety and Worker Health, and appointed as Interior Secretary Mr. James Watt, a lawyer whose pro-business Jeanings ` have already led to his being carica-tured as the man who will turn over the national parks to opencast mining. Not surprisingly, sumerists and environmentalists who fear their hard-won gains of the 1970s will now be lost. Actually, their fears may be

exaggerated. It is also certain that any attempt to change existin gregulations in sensitive areas, such as worker safety, will be challenged, quite prob ably successfully, through the courts by interested parties. While Mr. Reagan will be able to use his executive authority to cut a lot of red tape, major initiatives will

#### THE SKIES ARE OPEN BUT PROFITS ARE DOWN

"WHEN THE dust has cleared, the country will have a stronger, more efficient mer-orientated industry." This, the view of Mr. Marvin Cohen, chairman of the Civil Aeronautics Board, will remain under President Reagan, the official U.S. view on airline deregulation, the most sweeping of the deregu-latory efforts attempted by the U.S. Government.

The idea of lifting the web of Government control over pricing and operations of U.S. airlines began with President Ford, was turned into law by President Carter and will be completed by the middle of the Reagan Administration.

Before the Airline Deregulation Act of 1978. all air carriers in the U.S. were governed by strict Cab rules about the fares they could charge and the cities they could serve. The idea was to

the other hand, new appointees

tion against the social benefits,

for a lot.

for degades.

plications.

and their influence will count

Nor, in many respects, is Mr.

dent Carter were both commit-

ted to redefining the role of the

major regulatory commissions

which have governed major aspects of American business

These agencies, such as the

Interstate Commerce Commis-sion, which looks after railways,

or the Federal Communications

Commission, which looks after

telecommunications and broad-

casting, are designed to protect

for various economic reasons.

certain kinds of monopoly are

thought desirable. The agencies

set rates, decide about entrants to their industries, hear com-

plaints and rule on merger ap-

The spirit behind deregula-

tion in these controlled indus-

tries (which include telephones,

railways, road haulage, broad-

casting and banking) is that the

process of control has become

too restrictive and that more

competition would increase effi-

preserve certain guaranteed levels of service, in return for which the Government protected the carriers from an excess of competition. Consumers and mos Congressmen deregulation because they

believed it would increase competition and lower fares. The carriers for the most part welcomed it too, as a means of ridding themselves of combersome cab procedures for vet-ting fare changes at a time of volatile fuel price increases. The bigger carriers also liked the idea of dumping some loss-making routes. Today, three main effects of

deregulation are evident: 1-Smaller carriers with lower costs have been able to grow rapidly by extending into trunk service from their regional bases. Most of these airlines are profitable and well-liked by the public for

themselves would benefit from

Powerful interest groups have

to try either to resist or shape

the deregulation, which is now

nearly complete for airlines and

well advanced for road haulage

railways and telecommunica-

still have to go through Con- ciency and improve service for

gress, which will not pass consumers. In some cases, such measures which make the air as railways, it is also argued and water dirtier again. On that the profit-starved companies

to the regulatory agencies are more likely to balance the economic costs of new regula-mobilised in all these

2—The big trunk carriers have struggled to adapt to a regime in which they are at liberty to cut each other's throats (as they did on transcontinental fares last year). Their troubles compounded by a recession and high fuel ts, almost all of them made big losses in 1980. Without their valuable protected route rights, weaker airlines are more likely to go bankrupt.

3 Some small cities have suffered a reduction in service, even though the vestiges of a regulated system are intended to ensure subsidised service for them. President Reagan wants to cut even these subsidies, raising fears that this problem will

Thus far, however, the industry at least seems happy to play this game to its conclusion, seeking to lower

maintain it, but he is also de-

termined to try to unravel the

even greater web of bureau-

cracy which applies across the

Mr. Reagan inherits this importance being scrapped, like momentum and will seek to

-board to industry over such mobilised in all these industries matters as occupational health and environment.
Industrial lore is already rich

in stories about factories which closed because they could not comply with anti-pollution standards, and projects of national

#### REAGAN'S TARGETS

ENVIRONMENT: Waive certain standards for older, uneconomic plant. Avoid unnecessary detail in specifications for anti-pollution equipment. Apply less rigorous standards to new industrial development.

SAFETY: Delay and possibly drop expensive mandated safety concepts, such as the air bag in cars. Emphasis on personal protection devices rather than engineered-in

ENERGY: Cut restrictions on releasing land for exploration. speed up authorisation for nuclear power. Reduce environ-mental restrictions on converting power plant from oil to coal. Speed up decontrol of natural gas prices.

FARMING: Reduce price supports and other direct Government involvement where possible, for example in dairy

SECURITIES INDUSTRY: Reduce number of prosecutions but increase penalty for those convicted.

MOTOR INDUSTRY: Delay improved emission standards and drastically cut volume of Federally mandated design specifications.

costs, streamline routes, pui pressure on trade unions and modernise fleets.

As for the consumer, he paid 26 per cent more on average for his airline ticket last year than in 1979, against a general increase in consomer prices of 12 per cent. Part of this disparity is the result of fuel charges, which almost doubled last year, but it is also evidence that lower fares are not the automatic consequence of deregulation.

Finally, there is the question of international air travel, as the U.S. Government seeks to apply its "open skies" policy to the laby-rinthine world of bilateral airservice agreements

This is a more recent development, but some of the big U.S. carriers, such as Pan American, are already crying "Foul!"

The lorry drivers (truckers), the proposed pipeline by Sohio (BP's U.S. subsidiary) to bring Alaskan oil from a Californian terminal to the Eastern U.S. That oil now has to go at great

cost through the Panama Canal. In highly sensitive areas like these it would seem unwise to tamper with the standards themselves. However, as Mr. Carter found, the means of achieving trust enforcement. them can frequently be stream-

lined, and the paperwork re-duced: for instance, the bubble " concept is a new idea which sets atmosphere standards for a given industrial area but then allows the factories in it to decide among themselves bow best to achieve it. In. Sobio's case the local authorities were prepared to allow the oil company to build its terminal provided it installed autipollution equipment at neighbouring power stations.

some areas, like leasing out Federal lands for oil exploration, where such a flexible approach will not be possible. An oil rig will either be drilling in a pristine Alaskan wilderness or a fish-rich sandbank, or it will not

While industry clearly does not expect the burden of regulation magically to be lifted from its shoulders, it is looking to Washington for a fairer hearing and an end to the presumption that everything business does

is bad, poisonous or dangerous Change cauld come quick some industries than for others.

Many continue to be tightly
regulated by Washington (and
some such as banking and insurance, at state level, too); In many cases Washington has power to set prices, defini-markets and approve mergers; A third area in which Mr. Reagan is interested is the law or at least the enforcement of it in so far as it affects business. Apparently believing that Carter appointees we over-zealous, he has made point of replacing key figure in the anti-trust enfor agencies, the Securities and Exchange Commission and the Commodity Futures Trading Commission. He has chosen almost to a man, people pincked from the very activities which they must now regulate. This may be good news for business but it must weaken the effectiveness of the enforcement

However, while deregulation might superficially be viewed as the promotion of economic over social interest, the reality is much less clear cut. This is why the whole subject is politically so complex. Business itself b far from united about it.

Detroit may be parting for relief from deadlines on emission standards and airbags, and Pittsburgh's steelmakers may want a relaxation of pollution control. control requirements (which they say cost over \$500m a year). But deregulation pose distinct threat to other sectors of business

who had been cosseted by decades of price, regulation, were hotly opposed to the de control of their industry under Carter. The bankers are deeply divided about the abolition of bans on inter-state banking. Small banks fear that they will be gobbled up by big banks. Such examples reinforce the argument that deregulation should be accompanied by stricter not more lenient, anti-

Similarly, deregulation may not bring the expected economic benefits, immediately anyway, particularly if the Administration creates the misleading impression that compliance with pollution standards can be made cheaper. Deregulation of oil has already sent petrol and heating fuel prices rocketing; the lifting of interest rate ceilings has pushed up the cost of mortgages and consumer loans; deregulation of the airlines has left small communities even more isolated than before and red

On the other hand. Reagan economists argue that this is a small price to pay for the re-establishment of genuine and efficient markets; petrol and mortgages may be costlier now, but at least they are available, which was not always the case. And while lorry and airline operators may be struggling to make a profit, both these industries are being invigorated by fresh competition, it is claimed.

#### **Fingering**

the index

One figure noticeably missing from the mass of Budget statistics poured out by the Treasury on Tuesday was the estimated increase caused by the Chancellor's measures in the Tax and Price Index. Sir Geoffrey Howe failed to

quote it in his television broad-

east. And Chief Secretary Leon Brittan was still apologising yesterday that he had "not got the figures to hand." Nothing has been heard of it either from Financial Secretary Nigel Lawson, who devised

the tpi as a "more accurate" gauge to the cost of living when the Government was having trouble with a persistently escalating retail price index. Such coyness has finally in-duced John Kay, research director of the Institute for Fiscal Studies, to make his own calculation of the missing figure. He reckons the tpi will

the increase in the roi - and equivalent to a 4 per cent wage reduction," he tells me. Like me, he does not expect to hear much more about the "For the foreseeable future, its year on year rise is going to be way ahead of the rpi," he says.

rise four points. "That's double

Bottle top man C. Hoare and Co., which has banked since 1672 under the sign of the Golden Bottle and is still owned and run by the founding family, welcomes new general manager in the shape of ex-Barclays man Bob Mahon, due to replace the retiring Reg Wood in the course

Mahon will initially share joint general management duties with Peter Stevens. But, says managing partner Henry Hoars, as Stevens himself reaches retirement age, it is likely that Mahon will be left

But while managers come and go. directorships—or partnerships, as they are called at -have always been a closely-held family preserve. Interlopers made boardroom appearances once in the early eighteenth and in the early nineteenth centuries. But of the six current partners, under the ehairmanship of Q. V. Hoare, all bear the family name, and the family is well enough stocked to ensure succession for the next couple of generations.

Not that the job is without its drawbacks, of course. Hoare remains a private unlimited partnership, such that in the unlikely event of business faltering after three centuries. the directors' personal assets are at risk. The tradition is also maintained that a partner sleeps on the premises every night—not, of course, that the Fleet Street "shop" is without its security men, "but an extra body at an unexpected time could be very useful," explains Henry Hoare.

#### Rank and file

The Rank Organisation may have got out of films but many of its shareholders obviously remain passionate film-buffs. Filing into the garish auditorium of the Royal Lancaster Hotel to the sound of muzak yesterday, they were swept with nostalgia for the days of J. Arthur and the man with the gong.

For about five minutes, they sat in silence listening to, and watching the unfolding annual meeting performance of Rank's dark-suited directors—and then the critics among them began to

"Isn't it time you stopped buying and buying and buying hotels and started putting some more money into films?" a gentle-looking elderly lady snapped." We have nothing but filth in the cinema and there are. thousands of actors out of work." Others got to their feet in support. Chairman Harry Smith

soothingly defended the decision the democratic and parliato withdraw from film production as a prudent move away from a "high risk business."

But the audience was not to be placated. "We don't want to survive on a library of old films and video-cassettes," said one cineaste. And another lady, facing the Board with a Las Vegas-style microphone in hand, yelled: "Pull up your socks and do something about Pinewood."

#### Ad nausean

The Labour Solidarity campaign seems to be touching some sensitive nerves on the party's Donald Ross, editor of the official party newspaper, Labour

Weekly, faced angry criticism from members of the National Executive Committee this week for running an advertisement on behalf of the body which, with Michael Foot's blessing, is trying to re-unite the party. Anthony Wedgwood Benn

took strong exception to a line in the advertisement which referred to attempts by "some people who do not believe in



mentary road to socialism" to take over the party.

This, Benn complained bitterly, was a thinly-disguised attack on members of the NEC though simpler souls had merely interpreted it as a reference to the Militant Terdency. Eric fleffer, whom members

Solidarity would welcome instantly in their ranks, joined instead in Benn's rebuke. "I'm fed up with being attacked," he is reported to have grumbled. Ross's editorial freedom was questioned — but, in the end, t unrestricted. He tells me: Advertisements from groups within the party hav ealways been accepted on the basis that they have a right to express their views in the newspaper."

#### Dog end

From the post-carnival stupors of Sao Paulo, my man in Brazil reports that as far as he can remember the annual carousal again lived up to all expecta-tions. Except, that is, for the unfortunate few who were shot during the revelry.

The ultimate news story came

as one celebrant, Antonio Saparemberg, was weaving his way home after the last dance. He was attacked by dogs and in the ensuing tussle grabbed a Pekinese and bit it to death

The dog's owner complained and lodged a £12 claim for compensation. But the local police chief took Antonio's side and issued a general warning that pets should be kept off the streets when there were drunks

#### Lean times

Heard in a butcher's shope "I hate to keep putting the prices up, love, but people have come to expect it."

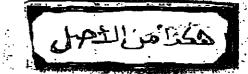
Observer

## Williams & Glyn's Interest Rate Changes

Williams & Glyn's Bank announces that with effect from 12th March 1981 its Base Rate for advances is reduced from 14% to 12% per annum

Interest on deposits at 7 days' notice is reduced from 111/2% to 9% per annum.

WILLIAMS & GLYN'S BANK LTD XX



# There must surely be a third way

of it lie in the defeat of the autumn of 1980. This is much Prime Minister and Chancellor in last autumn's; spending battle. The "wets" who were then so jubilant are now pay-ing the cost of their little triumph.

and again. It is clear from a succession of Ministerial jobs. speaches and other indicators. U that the outlook for publicsector borrowing on unchanged policies was continuously deteriorating as work proceeded on the Budget. By the time the final decision was made the Chancellor faced a prospective £14bn PSBR for 1981-82 if he made no changes, coming after £131bn estimate for the year how ending.

It would be wishful thinking to suppose that this was mostly due to the recession, and could therefore be safely disregarded. It reflected prospective over-spending and downward revenue revisions which could equally have occurred in a normal year or one of boom.

The Chancellor would have been able to increase personal fax allowances in line with prospective inflation and avoided that extremely unfortunate rise in Excise duties (by about twice last year's inflation rate) if he had been willing to put the basic rate of tax back to some 33 per cent. This would have been a smaller evil both socially and from the point of view of incentives than what he actually did.

of criticism which the Budget has encountered from every kind of vested interest, and grown-up children who expect sweetmeats from the Chancellor, of the lowering of interest rates able to turn off in time. Yet I suspect that it could not have which will be possible as a the former President had to been so had after all. For all the result both of the fiscal tighten- spend his last two years reverstalk and reality of recession real ing and the long overdue intro- ing everything he had done and able to ask for an explicit final personal disposable income — duction of indexed gilt-edged letting the economy run down target in terms of money GDP official forecasts. This is no the Financial Strategy to accomise going to be a long job, but that is after allowing for taxes securities, after years of hill; and President Reagan, for so that subordinate technical criticism of the forecasters, who modate a real growth of even the guilt feelings with which

THIS WAS undoubtedly a and inflation—rose by 18 per badly-judged Budget. The roots cent in the three years up to the higher than can be afforded given the present cost of Government spending, even after allowing for the benefits of North Sea oil. It is hardly surprising that some of this has had to be The cost has escalated again clawed back - or that people have priced themselves out of

> Unfortunately the debate is being polarised between those who see the road to salvation in the Government pumping yet more money into the economy and those who accept fatalistically the dismal official projections of output and employment. These can be found in the Red Book and buried away in the usual place in the Social Security chapter of the Public Expenditure White Paper.

They show output falling by a further 2 per cent this year and, even after allowing for recovery, an average annual growth of only 1 per cent in the three years 1980 to 1983. Adult unemployment is seen rising to 2.5m this year and levelling off at 2.7m in 1982. Allowing for school-leavers and seasonal and other vagaries, the odds are that on these projections the "headline" unemployment figure Healey in his first phase, it is the flow of money in the econof 3m will be touched sooner surely apparent that pumping omy. The Treasury and the

A more mainstream

will reduce real GDP by 11 per and perhaps not even that. cent in 1981 and lead to a "headline" unemployment total first two years in office "budget-up to 200,000 higher than ing for growth" in the way But when I turn to the screams otherwise would have occurred. recommended implicitly by Mr. frerticism which the Budget Maybe or maybe not. I du Cann's Treasury Committee suspect that even on a con- critics, Mr. Peter Tapsell, the ventional calculation this CBI, the TUC and every voice estimate understates the effects on the radio which I am not

HOW TO GET BETTER GROWTH UNDER THE PRESENT FINANCIAL STRATEGY

% Increase Ove r Previous Year

	(1) Total Spending (Money GDP)	(2) Pay per head (implicit)	(3) Projected Inflation	(4) Resulting Output Growth	(5) Inflation with Lower Pay or Higher Productivity	(6) Resulting Output Growth
1980	15	20	18	-2½	18	-2½
1981	10	11	12	-2	11	-1
1982	9	9	8	+1*	6	+3
1983	8	7	6	+2*	4	+4

head rises by 1 per cent less than in the base projection in 1981 and by 2 per cent less in 1982 and that this differential is maintained in future

combination of the two improvements would also yield similar results.

The ligures in the table illustrate no more than rough orders of magnitude. The path of total spending (ie money GDP), is derived from the mohetery targets in the Medium Term Financial Strategy on the assumption that over the period as a whole the valueity of

circulation rises by the trend annual rate of 1 to 2 per cent. The output projections in Column 4 correspond approximately to official estimates and tonecasts. The inflation tonecasts in Column 3 are consistent with official indications. The pay figures are entirety unofficial, but breadly consistent with the inflation path shown

likely drop in the real exchange rate and some rebuilding of profit margins, as well as the increase in Excise duties,

There is 1, per cent total extra-rowith in the Treasury forecast dellocated between the two years.

battling with the Bank of all his rhetoric, has not finished England first by Harold Lever with the downhill run yet. and then by Nigel Lawson.

The immediate output and reasonable men can differ, is criticism made by Phillips and achieve a temporary improve-Drew is that the net tax changes ment in output and employment,

President Carter spent his

Critics of the Government

would be on firmer ground if employment impact, on which they accepted the not very start- path a deflationary one, or ling assertion that instruments not the heart of the matter. such as budgets, interest rates of human frailty.

In the left-hand column of the table I have translated the Medium Term Financial Strategy into rough estimates of the implicit growth of total Obviously this is a rough indication and not an exact marching order. It would be reasonletting the economy run down target in terms of money GDP

targets can be changed without are quite right to base their But by no stretch of the imagination is the envisaged

restrictive one. The jump down from 1980 may look severe if it After the experiences of the changes and even exchange rate is forgotten that last year was Heath government and of Mr. manipulation affect primarily an unusually inflationary one due to the combined impact of oil prices, Clegg-type settlements more and more spending power Bank have the responsibility of and monetary and fiscal mistakes into the economy will at best ensuring as steady a growth of of earlier years. If every such achieve a temporary improvement in output and employment, as is possible within the limits the end will be Latin American strato-inflation and more unemployment rather than less.

Government's should start by accepting the projected spend- Orwell. ing path and trying to see that spending on money GDP. This more of this spending goes into runs from plus 10 per cent in extra output and less is frittered 1981 to plus 8 per cent in 1983, away in inflation. The right-hand Medium Term Strategy is compatible with a different mix of prices and output to that in the

projections on experience rather than hope. But something better is nevertheless possible.

The right-hand two columns show that with but a modest extra restraint in pay or im-provement in productivity, the famous real growth rate of 4 per cent could be achieved by 1983 under the existing Financial Strategy. If it were achieved, either through lower pay settlements or a mixture of lower pay and higher productivity unemployment would also fall back towards the 2m. An alternative strategy to the mark and he poised to fall further in the year of George:

If it were achieved through productivity alone, the unemployment benefit would be smaller, but the outlook for the side of the table shows that the middle 1980s would be very much better; and then and then only would there be a case for revising upwards the figures in

UK: Mr. Norman Fowler,

Rensington.

tomorrow's

Gloucester.

Hotel, WL

Hotel, WC2.

the high exchange rate, one meets American and cost, potentially high productivity base, from which to

It would be easy to play with numbers and to pretend that the right-hand side of the table could be made to come true by wage freeze, a National Productivity Conference, 500 more little Neddies, or by some other gimmick, all of which would do far more harm than good.

The key to change is in be-haviour and in institutions, and not in budgetary or other centralised policies. The pessimis-tic projections in the middle columns are only expressions of the institutionalised pricing of people out of work, which is the foundation of British industrial relations. This is compounded by housing policies and badly co-ordinated tax and social security systems and pension arrangements which seem designed to make people "sit in" where they are and avoid

change like the plague. The Public Sector is at the centre of this malaise because it is where Big Government, Big Loss Making Industries, and One Hundred Per Cent Unionisation meet in headlong conflict. market-minded Conservatives found common ground in break-

Conservative Cabinets approach This is not a pipe-dream. The the unions are a luxury which UK is a country with real wages can no longer be afforded. Not somewhat higher than can be as a complete solution, but as afforded today, but much lower a gesture towards what is than could be achieved with required, the Prime Minister best practice techniques. Des- should at long last propose the complete abolition of the closed shop, with no ifs and buts. This Japanese businessmen who should be put to the country in regard this country as a low- a referendum, no matter how should be put to the country in many resignations from the Cabinet are provoked (most of those who threaten to resign need, when it comes to the test, a coach and horses to pull them out of their seats).

To turn to another worry, there is something constructive which can be done about North Sea oil by building up an official portfolio of overseas securities against the day when this source income begins to dwindle Such a portfolio would do more to help domestic manufacturing, through its indirect effects on the real exchange rate, and on export demand, than cany amount of direct domestic

But I do not want the support on this proposal of anyone who thinks it is a costless option and is unwilling for it to be a charge on the PSBR. If it is not to be inflationary and self-defeating, it would have to be financed through Government spending cuts or higher taxes. In return, the resulting assets could be grouped in trusts and distributed to citizens on a prorata basis.

These and many other ideas It is surely time that the more can help at the margin. But the radical Social Democrats and real British economic disease is the excessive belief in - and therefore hatred of — governing up these agglomerations, ment. This is to be found in whether by handing them to Right, Left and centre of the their workers, denationalising political spectrum alike, on both them, or simply giving them sides of industry, and above all among the wordmen who write, The reform of labour markets talk and communicate.

Samuel Brittan

#### Letters to the Editor

#### : Incredible Tory temerity

From Mr. M. Dunn Sir.—So a Tory Government has vehicle will carry at least one had the incredible temerity to introduce a tax on bank profits which amounts to confiscation of a shareholder's asset, without

=rompensation: It's a black day for the mixed onomy. But there is hope. For at this stage it's only a proposal. And common sense in powerful alliance with principle, maygiven the support of influential people like you sir—prevail over -ill-considered measures like this

And there is a much more alternative. The "banks should declare "special" dividends, so that the Chancelzior would collect a "special : tranche" of tax direct from the chanks and in addition a sizerable chunk of revenue from the rspending of the dividend vincome by individual sharesholders.

a I must also point out that There is no shred of evidence to suggest that the Government is more efficient at investment othan the banks. In my view the iremoval of these resources from the banks, at the present time,

is most injudicious But above all this doctrine of "one-off" taxation, which amounts to confiscation, must be resisted.

Mark Dunn, Crescent House 152. Watton Street, SW3.

#### 21st Century Gilts -

From Mr. A. Groy.
Sir,—The City seems to have welcomed the new index-linked gilt 2 per cent stock 1996 and paradoxically it is being hailed as a way to reduce the cost of public borrowing. If it does of wage settlement. . . It can reduce the cost, then long dated be no guide to a regime in 21st century fixed interest gilts are cheap!

and believing that the causes of ences will not be accommo-inflation have not yet even been dated." discovered let alone beaten is there anyone who would put £1 against a new gold sovereign on my wager that £1,000 of indexed 2 per cent stock 1996 will cost the Government more to service in cash pounds than £1,000 of Treasury 151 per cent stock 1996 between now and redemption? Service" may be taken to

Bank

i effet

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981

1111110

capital A bet received from Sir-Geoffrey will, of course, take preference over others.

Adrian Gray. 31. Russell Road, Wimbledon.

## Transport

From the Editor, Commercial Motor.

Sir,-Ken Gooding's summary (March 11) on transport costs is matters worse. Had the effects misleading. I am sure it is un-The particular point I ques-

will carry an excise duty load of output loss would be greater. £1.233 compared with £1.072 not less. last year." Your statement does

not go far enough. laden weight. This type of reducing inflation by monetary vehicle carries 22 tonnes and policy, let us have them. I know this is the figure on which Mr. Brittan and his Ministerial increased costs should be based. protegés in the Treasury have The increase of £161 at this maintained that no such esti-

to produce the annual increase per tonne e.g., £7.31 per tonne per annum. The weekly increase would be £0.14 per tonne.

load per day so that the actual increased cost per tonne will be

A similar size vehicle will return 8 mpg fer an additional 20p. or 2.5p per mile. Over 230 miles per day this will add f6.10 to the fuel cost. Divided by 22 tonnes this means an addi-

duty is infinitesimal. Industry and not force transport operators into a rates war which can do nothing but damage to all concerned in the end. Iain Sherriff, Commercial Motor.

Dorset House, Stamford Street, SE1.

#### **Optimisation** methods

From Dr. J. Bray, MP. Sir, — Mr. Samuel Brittan, with characteristic temperance, accuses me of taking members. of the Treasury Select Committee " for a very big ride " (Lombard, March 9). On the narrow point of estimates of the output and unemployment costs of re-ducing inflation by tight money, Mr. Brittan has not read our report on monetary policy closely enough. He says the estimates he quotes are from relationships in the Treasury model "based on a period when it was assumed that the Government would finance any level.

which it is expected that monetary demand will grow at Being, however, a doubter of an even roughly pre-determined all this "conventional" wisdom rate and that inflationary influ-

We took care to put in a footnote when these simulations provided by the Treasury were first mentioned in the report, saying: "Imposed coefficients will no doubt have been chosen which gave reasonable simulations over recent past data and for current forecasts, but the great dependence of these parmean a sum inclusive of the ticular simulations on imposed repayment of the outstanding coefficients whose test statistics and forecasting performance have not been given to the committee must be treated with particular caution. Furthermore no provisions or adjustments

produced by changes in monetary policy." Civen all the evidence we had had on the breakdown of past relationships for the exchange rate, that was the least we could say: The actual behaviour of of the effect of the Budget the exchange rate has made. of changed expectations in financial markets from announced monetary policy tion is that "a 10 tonne lorry been included, the estimated

If the Treasury has now improved its estimates of the out-The 10 tonne refers to un put and unemployment costs of

The wider point is the whole economics has become increasingly mathematical over the years, Mr. Brittan has become increasingly incapable of following the arguments at the tion of 0.27p per tonne, a total technical level. So his policy increase of 0.2714p per tonne. advocacy has veered all over Measured in these terms the the place - from demand maneffect of the increased excise agement, to targeting on money supply, and now to targeting on can surely not claim that the money incomes. In self-defence increased transport costs will be he has habitually hurled abuse substantial. Industrialists at the genuine enlightenment should, however, be prepared offered by any faintly matheto accept these modest increases matical analysis, even when some of it is sympathetic to his case. .

Mr. Brittan asks for native for himself, reflecting ever they might be"). whatever may be his priorities between such final objectives as growth, reduced unemployment, and reduced inflation, or even honest to goodness profits.

Policy optimisation methods are now working smoothly at Imperial College, London, on both the National Institute and London Business School models. Given the same priorities the two models produced remarkwhen the straitjacket of monetary targets is imposed that the protesque trade offs implicit in monetarism become apparent. The Treasury and the Bank of England refused to take part in these experiments on their models. While I believe the conclusions are now obvious, the committee decided it could not reach any firm conclusions beyond asking the Treasury and the Bank of England to carry out such work themselves, which I believe they now will. So although, alas, I cannot take the select committee for a ride, the committee is proving a useful instrument in exposing some rather expensive intellectual vested interests among Ministers, officials, and apparently some distinguished economic journalists. (Dr.) Jeremy Bray. Heuse of Commons, SW1.

#### Blitzed or ignored

From Dr. M. Beenstock Sir. - May I add a personal were made for changes in ex- note to Mr. Brittan's (March 9) pectations in financial markets attack on "Mr. du Cann's bogus science.". After much trepidation whether it would receive a fair hearing I finally submitted my evidence to Mr. du Cann's committee. This evidence largely endorsed the Government's monetary philosophy. All in all there were three memoranda of econometric evidence that broadly strategy. Apart from my own, there was evidence submitted by Professor Patrick Minford and H.M. Treasury. The latter two received short shrift from Professor Hendry and were effectively ruled as inadmissible evidence. My own evidence was not considered by Professor Hendry and received no mention in the body of the report.

voters are actually paying those As we have seen, pro-Governthe notions of soverignty of the costs it is the Cabinet who can ment evidence is either blitzed smaller Gulf States. costs it is the Cabinet who can ment evidence is either blitzed reasonably complain of having or ignored. Yet the committee been taken for a ride by the has no qualms about deploying

Chancellor. The estimates were the Treasury econometric model available and are proving about to develop its views; as if this much maligned model were somehow beyond criticism. The approach to economics and the evidence has been selected to design of economic policy. As fit a case that was largely arrived at when the report was first mooted.

(Dr.) Michael Beenstock. London Business School Regent's Park, NW1.

#### A question of communication

From the Secretary General, British Association of Industrial Editors

Sir.-Your Marketing Scene writer (March 5) does himself alternative to monetarism. If he little credit by implying in his reads the annex to chapter 10 article "BR gets the message in our report he will find out across" that he does not know how to use policy optimisation of the British Association of methods to construct an alter- Industrial Editors ("whomso-

Sir Peter Parker knows us. So do hundreds of other top managers who recognise that poor communications between management and employeesand vice-versa—have been a major contributory cause of Britain's industrial problems for many years.

Among the media used by management to improve twoway communication in industry ably similar policies. It is only are house journals. BAIE is the association of professional industrial communicators who work on those house journals and whose expertise in journalism and industrial relations contributes to the successful performance of that very important task.

K. B. Bartlett, 3 Locks Yard, Sevenoaks, Kent

#### Diplomacy for peace

From Mr. L. Bloch Sir.—You argue quite convincingly in your leader, March 9, that it is little short of absurd that Europe and the U.S., should be talking of ways of co-operating in a Middle-East war, the two sides cannot cooperate in feeling their way to elected by postal vote of all wards a negotiated Israel-Arab

This. avoided if the Foreign Office, and some of its counterparts in the European Community, would recognise the wisdom of your conclusion, namely, that at the end of the day, the Europeans will have to reconcile their findings with those of the U.S. So far, there is no indication that they are ready to accept the foreign policy of the new

administration. This new policy recognises that the Palestinian problem may prove intractable for many supported the Government's years to come, and at the same time asserts that a Western military presence in the Gulf is indispensable to secure oil supplies. The inescapable conclusion is that one does not make

the indispensable dependent on the intractable. Washington hopes that the least acquiesce, in its new continue to prosper. strategy. If it is at all possible, J. D. Burrows. ion in the body of the report. the Americans are anxious not Copyhold,

The report as a whole seems to offend Saudi susceptibilities Bury, Pulborough, Sussex.

weight should be divided by 22 mates are possible, but when to operate on a double standard, and not to belittle gratuitously

On the other hand, the Gulf rulers have to understand that in the last resort, the West's choice may be limited to either being considerate at the risk of losing the oil supplies, or secur-ing its vital energy needs at the risk of antagonising them.

Agonising as the choice will , its outcome should not be left in doubt: when the chips are down, Western survival comes first.

Lionel Bloch 9, Wimpole Street, W1

#### One voice for Lloyd's

From Mr. J. Burrows.

Sir.—Through your pages we learn of the dissension over the new Lloyd's Parliamentary Bill. Yet all agree that a new Lloyd's Act is essential so that the new council can function as soon as

Why then this division? Surely it must be due to the proposal to classify the membership into 15,000 external and 4.000 working members from whom the council of 16 working, six external and three nominated members are to be elected. Why the need for a controlling council elected with this composition?

Because according to the Fisher report it "will be both sensitive to the views of those working in the market and in a position to influence them and can be trusted to exercise those powers with restraint." Presumably the six external members will need to be sensitive to the views of the vast majority of those not working in the

market. The rapid expansion of Lloyd's membership has dramatically changed a tight market largely financed and controlled by working members, to one which is financed by a vast majority of nonworking names throughout the

It has changed from a private business in which friends were invited to participate to a public concern open to those able to meet the standards of integrity and probity required. within the market's capacity. Surely the representative governing body for self-regula

tion can only be democratically members from a ballot list of any underwriting members. absurdity could be properly nominated by a given number of their fellows. Since the interests of external

and working names are in divisible its proportionate composition would be immaterial The sensitive ear to guide the council and the authority to implement its policies would still be provided by the executive committee of Lloyd's elected, as provided by the Bill, from working members. The need for the external members class and necessity to seek outside neminations would no longer apply. Contentious matters could then be resolved through the self - regulatory powers, and the Bill enacted.

Lloyd's would then have a truly unified and responsible council to speak with one voice on matters of common interest, Gulf States will endorse, or at and through which it would

## Today's Events

Transport Minister, and Lord Snowdon speak at "Transport without handicap" conference, at Centre Point. Lord George-Brown speaks at American Chamber of Com-merce lunch, Savoy Botel, WC2. Mr. Edmund Dell, Guinness Prince Charles attends board Peat Group chairman, speaks at meeting of Commonwealth Definancial Times conference on velopment Corporation, W1.
Overseas: European Parlia-

ment discusses youth unemployment and the UK apple industry, Strasbourg. Mr. Robin Leigh-Pemberton. Westminster Bank PARLIAMENTARY BUSINESS chairman, speaks at conference raising capital, Selfridge House of Commons: Budget

House of Lords: Industry Bill, third reading. Wildlife and Countryside Bill, report. Town and Country Planning (Minerals) Bill, third reading. Select Committees: Agricul-Dundee, 12. British Overseas Trade Board presents export awards for smaller manufacturers, Savoy The Queen visits Confedera-tion of British Industry new HQ

poultry and veal calf produc-tion. Witnesses: Miss Janet Graham, Mrs. Ann Stamper and Mrs. Mary Clark Glass. Room 16, 11 am. Foreign, Overseas Development Sub-Committee, on the Brandt Report. Witnesses: Foreign and Commonwealth Office and Overseas Develop-ment Administration officials. Room 16, 4.30 pm. COMPANY MEETINGS

ture, on animal welfare in pig,

Deuman Street, W. 11. Sidlaw Industries. Nethergate Centre.

#### COMPANY NOTICES



BEARER DEPOSITARY RECEIPTS Following the DIVIDEND DECLARATION by the Company on 8th January 1981, NOTICE is now given that the following DISTRIBUTION will become payable on or after 13th March

Gross Distribution per Unit Less 15% U.S.A. Withholding Tax 1.500 cents

Converted at \$2.21

0.225 cents

Claims should be lodged with the DEPOSITARY: National Westminster Bank Limited, Stock Office Services, 5th Floor, Drapers Gardens, 12 Throgmorton Avenue, London EC2 on special forms obtainable from that Office.

Upited Kingdom Banks and Members of the Stock Exchange should mark payment of the dividend in the appropriate square on the back of the certificate.

All other claimants must complete the special form and present this at the above address together with the certificate(s) for marking by the National Westminster Bank Limited. Postal applications cannot be accepted.

11th March, 1981.

#### GROUPEMENT DE L'INDUSTRIE SIDERURGIQUE 9.25% 1976/1983 LOAN OF SUS25.000.000.-

We mform the bendholders that the redemption instalment of SUS9,000,000.— nominal due April 15, 1981; has been satisfied by purchase of SUS5,292,000.— nominal bonds and by the drawing for redemption of the undermentioned bonds amounting to SUS3,708,000.— on Fabruary 18, 1981; in Luxembourg, in the presence of an "huksler." The bonds will be reimbursed at par on April 15, 1981, coupon due April 15, 1982, and followings satached, according to the modelines of payment on the reverse of the bonds.

The numbers of such drawn bonds are as follows: 00001/01104-01105/01133-01135-01137/01142-01148/01150 01153/01340-22823/25000 0153,01340-ZZBZJ/ZJUU
Amaunt outstanding after April 15, 1981: SUS-16,000.000,—
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Trust, 28 Friar Street, Reading,
Berks, 1230. Piccadilly Theatre.

TOKYO SANYO ELECTRIC COMPANY LTD. (CDRs)

The undersigned announces that as from 16th March 1981 at Kas-Asso-

from 16th March 1981 at .Kas-Asso-clatie N.V., Sputstraat 172. Amster-dam and Banque Générale Luxembours s.A. 14 Rue, Aldrigsen, Luxembours, dw.cp.nb. 9 (accompanied by an "Ahdawt") of .the CDRs TOY YO SANYO ELECTRIC CO., LTD., will be payable with \$1.41 get per CDR. repr. 100 shs and with \$14.10 net per CDR repr. 31 1980; div. per coord-date 30 11980; gross Yen 3.3 p.41.5 atter deduction

You 52.50 sh. Ser. Chr. (cer. 100 shs. 100 shs. 1000 shs. Mithout an Andavit 20% Jap. tax = 1000 shs. 1000 shs. Ten 70. = \$-.33 per CDR. (cer. 100 shs. 100

erdam. 5th March 1981

AMSTERDAM DEPOSITARY



· 1.275 cents =£0.00576923

> TATE & LYLE LIMITED NOTICE TO HOLDERS OF BEARER SHARE WARRANTS. OF BEARER SHARE WARRANTS.
>
> NOTICE IS HEREBY GIVEN to holders of Bearer Warrants for Ordinary Stock of the Company that a heal dividend on the Ordinary Stock of 5.5p net in respect of the year ended 30th September 1980 Will be bald on or after 4th April 1981 to holders of Bearer Warrants upon presentation of Coupon No. 48.
>
> Warrant Holders who are employees or the Associated Companies, should follow the Distructions to be distributed and displayed on the Companies. Should follow the Distructions to be distributed and displayed on the Companies. Notice Boards.

Boards.
Warrant Holders who ere not employees or pensioners of Tate & Lyle. Limited must present their coupons to the Company of the address shown delow on or after 4th Apr 1 1981.

Sth March 1981 Sogar Quay, Lower Thames Street, London, EC3R 6DQ.

#### **BOND DRAWINGS** KINGDOM OF DENMARK

USSE, 000,000 51-16-20 YEAR
USSE, 000,000 51-16-20 YEAR
EXTERNAL LOAN OF 1954
HAMBROS BANK LIMITED hereby
gives notice that, in accordance with the
terms and conditions of the above loan, terms and conditions of the above lean, the redemption for 8th April, 1981, has been effected by the purchase of US\$1.614,700 (nominal) and the undermentioned bonds amounting to US\$46.000 (nominal) were drawn on the 26th February, 1981, for redemption at par. The outstanding balance after the 8th April, 1981, redemption is US\$5.080.000 (nominal). US.33.080.000 (nominal).
The drawn bonds may be presented to HAMBROS BANK LIMITED, 41, Bishopsgate, London ECCP 2AA, br to the other Paying Agents named on the bonds.

For payment in London, bonds will be received on any business day and must be

received on any business day and mus-left three clear days for examination.

BONDS OF US:S1,000

100 \$871 | 5476 | 30254 | 23
1335 \$520 | 6086 | 20839 | 23
1341 \$945 | 18900 | 21171 | 23
2585 | 10266 | 19144 | 21177 | 23
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Bond drawn for payment on 8th April, 1976 12716

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AND POWERCRAFT

Powles 46ft Twinscrew Cruiser Launched May 1979 Accommedation for 7 in four cabine:
3 Showers and tollets. Could be used for charter work. G.M. englans. May, speed approaching 30 Arobs. Lives Building Cortificate. Magnificantly appointed and equipped. Living South France. Offered 3 half currany pulse this yacht is a supply identiment. vacht is a superb investm Tel: 0274-31442-daytim 0532-502543 evenings

#### **BACO** tumbles and cuts dividend

THE DEEPENING recession was reflected in a steep decline in profitability of the British Aluminium Company, in which TI holds a 58 per cent interest. Second-half 1980 taxable profits tumbled from £9.58m to £3.06m leaving the full year figure £8.5m lower at £12.13m.

In August, the company warned that second-half profits were ex-pected to be significantly lower than the first-balf figure of

With the outlook for this year uncertain, the final dividend is being cut from 8p to 2p net making a total of 7.5p per share, against 13.5p in 1979. It is likely that the size of the 1981 payment will not be considered until the year's results are known and the outlook is clearer.

The group is mainly engaged in the manufacture and sale of aluminium and aluminium alloys. However demand for its products, which had been at a satisfactory level in the first three months, fell off sharply at the beginning of the second quarter and declined further over the rest of the year as the UK

recession deepened.
Group turnover increased from £268.71m to £278.13m for 1980some increase in selling prices and a full year's contribution from businesses acquired in 1979 offset a fall in sales volume, especially of primary aluminium. Exports, despite the strong were little changed at £69.3m (£70.2m).

Lower sales volume and a significant erosion of margins were the main reasons for a fall in trading profits from £25.05m to £18.85m. The pre-tax surplus was further reduced by higher finance expenses of £6.85m (£4.77m) due to higher borrowings and interest rates.

Net borrowings rose by £10.3m to reach £29.3m at the end of 1980, when they stood at 24 per cent of shareholders' funds. Tax for the year took £2.38m (£2.86m) and after minorities, earnings were down from £17.64m to £9.6m. Earnings per 50p share fell from 36.3p to 19.7p. On a current cost basis, pre-tax profits were £3.45m,

No progress has been made in resolving the dispute with the North of Scotland Hydro-Electric Board concerning certain changes for the supply of electricity to the luvergordon The company, acting on legal advice does not accept liability for any of the disputed charges but has continued to make full provision in its

In the 1980 accounts, creditors will include £29.92m (£19.38m) for disputed revenue and capital charges plus provisions, where appropriate, for interest on pay-

It is expected that this dispute e to be resolved in the Courts, but to date no legal action of Scotland Hydro-Electric Board.

## TI slides to £26m and pays only 2.5p

have been taken to ministrise the Investments has experienced the full force of it. There have been factory closures, heavy re-dundancies and short-time workdundancies and short-time working, and the pre-tax profits for 1980 have been seriously eroded from £52.2m to £28.7m. The final dividend is sliced from 13p to 2.5p, making the net total 15p—down 10.5p.

External sales were almost £56m lower at £1.60m, but the 1979 figures included the indus-

1979 figures included the industrial electrical activity which was sold at the end of that year. Excluding these sales from 1979 would have left external sales at broadly the same level in money terms, which represents

6 per cent. Trading profit was £53m compared with £73.5m, but there were share of associates losses of £1.5m (£1.8m profits). Interest charges increased from £23.1m to £24.8m. After tax reduced from £12.3m to 10.3m and minorities of 5.4m (£8.3m), attributable earnings were £11m compared

Extraordinary debits accounted for £29.7m (£1.5m credits), and redundancy and closure costs totalling £25.4m are included in that figure. Altogether there were 5,000 redundancies in 1980 together with provisions for some 3,000 further redundancies 1981 and already announced

In the UK, domestic appliance business were particularly hard hit by the suddenness of the decline in order intake in the second quarter, but a combination of cost saving measures and short-time working, together with ome recovery in trade buying in the autumn, produced a re-turn to reasonably satisfactory profitability before the year-end. The process of cost reduction and rationalisation of facilitie

UK cycle business a year ago has produced some improvement in profitability, although further action has been necessary, says Sīr Brian. The improved total trading profit is also due to profit increases in overseas' subsidiaries, includ-

ing particularly those in Holland,

Australia and Canada. There

which was put into effect in the

was some recovery in the U.S., but South African companies

board took into account profits earned in the first half and expectations at that time for the second half. In the event the trading position and prospect deteriorated further in the second half, and only small profits—£2.5m pre-tax compared with £21.8m-were earned in that period.

Despite the heavily depressed

level of profits, there was a net cash inflow of £3.1m. This was made up of an outflow of £10.3m in British Aluminium, largely as a result of the high level of capital expenditure on the Lochaber modernisation, and an inflow of £13.4m for the remainder of the group.
Disposals of all kinds totalled

£22.8m, which came close to covering the cash costs of closures and redundancies. This also enabled capital expenditure to rise from £48m to £54.4m, including the Lochaber expendi-

Analysing the year's results, the volume of busines Sir Brian Kellett, the chairman, would have to show Commenting on the severe regroup were affected by the duction in the final dividend economic conditions. The steel payment, Sir Brian says the tube and aluminium results to board took into account to the seconomic conditions. flect progressively worsening conditions as both these major business areas, despite the

specialist sectors which each has,

were inevitably exposed to the broad fortunes of UK manufac-

turers. In specialised engineering, there are several businesses closely related to the automotive industry which suffered from the particularly severe impact of the recession on that industry.

He says it is difficult to judge

the duration of the present conditions. There has been some modest relief recently of the pressure from high interest rates on an over-valued pound. Assuming TI's own reduction in capacity and number employed may be typical of the manufacturing sector, it must be some time yet before the downward economic momentum can be halted and reversed.

He says there is no evidence

would have to show through soon if it were to have much impact on 1981.

In these circumstances, the board thought it right to reduce the total annual dividend to a new lower base, with the expecta-tion of moving forward again as profits recover.
Dividends absorb £8.9m against

£15.1m last time. Stated earnings per £1 stock unit have dived from

External sales and trading profit by division were (£m):—steel tube £304.4 (£314.1) and £9.8 (£15.5); aluminium £291.5 (£288.4) and £20.6 (£26.8); specialised engineering products £177 (£24.8) and £5.9 (£13.4). £177 (£243.3) and £6.9 (£13.4) domestic appliances £216.4 (£208.4) and £10.2 (£16.2); cycles and toys £166.4 (£157.1) and £6.4 (£3.2); parent and other companies £2.5 (same) and £0.9 loss (£16 loss).
The balance-sheet shows invest-

ments down from £34.1m to £17.6m, and shareholders' funds are lower at £399m (£427.3m). Loans stood at £96.5m (£100.5m). The total of reserves at the yet of substantial recovery in year-end shows a reduction of



Schroders advances

£343,000 (£586,000).

comment-

It looks as though Schroder

has had a good year in both ifs U.S. and London operations. The

Schroder Wagg merchant bank

ing business reports a strong performance in its corporate

finance, banking and profect finance divisions; last year had-the benefit of fees from the con-

siderable issues from Cooseli-dated Gold Fields and Land

Securities. Associate earnings nearly doubled as a result of a

busy corporate finance depart-

ment in Hong Kong and a similar frenzy in Australia. The

£61m in the balance sheet show a small increase, but this is a

fluctuating figure which is partly dependent upon exchange

rates. On yesterday's 20 personal higher total dividend the

shares yield 4.3 per cent at 358p.

Corre Total

8.72\*5

**OPENG** 

sponding for

£29.7m compared with the previous year. Although there was a retained profit of £2.1m after ordinary items, together with adverse movements in currency exchanges, combined to produce

pre-tax poss of £200,000. Current £3.98m. The cost earnings were £11.5m and absorbed £326, on this basis shareholders' funds is being paid. were £689.3m.

AFTER tax profits of Schroders.

the banking, finance, insurance

and investment group, advanced

from £6.6m to £8.19m in 1980

and the net total dividend is

being stepped up from an equiva-

special payment of 0.4373p) to

Profit of the banking sub

sidiaries, after minorities and transfers to inner reserves.

out of which reserves provision

has been made for diminution

in value of assets-amounted to

Profit of Schroders Ltd. and

the non-banking subsidiaries after minorities, emerged at £1.96m (£1.89m) and associates

showed a rise from £762,000 to

Interest on loans after minori-

ties totalled £1.61m (£1.24m) and

share of extraordinary profits of

associated companies—represent-

lent 8.718p (which included

10.5p with a final of 7.5p.

£6m (£4.6m).

Ti Raleigh Industries, a whollyowned subsidiary of Tube Inv ments, reports an increased ner sales down from £125.21m to soared from £250,000 to £2.83m exchanges, community this overall reduction.

and there was a minute reduction.

on a CCA basis, there was a tax credit of £12,000 against tax credit of £12,000 against £3.98m. Tas interim dividend absorbed £326,000, but no final

## Woolworth falls £18m but final is held

trading over the Christmas excluding the same.
period. F. W. Woolworth, the In a statement accompanying year well down with pre-tax out that in an extremely difficult profits back from £57.25m to trading year turnover on an ex-£39.22m for the 12 months to

against £34.08m last time. The final dividend is maintained at 3.5695p which, with the interim of 1.225p (1.3475p), makes a total for the year of 4.7945p compared with 4.917p. Stated earnings per 25p share were 8.02p (10.99p).

Turnover, including VAT, rose assisted in offsetting the pressure on margins and the effect from £0.98bn to £1.07bn for the of high interest rates.

results of the Rank Organisation ahead."

Harry Smith, group chairman,

Commenting on last year's 15

per cent fall in pre-tax profits at

the annual meeting in London

he said: 'Our inability to main-

tain a rising trend in profits was,

naturally, disappointing." He cited in particular the problems

of recession, a strong pound and

On current trading, he told shareholders: "I wish I could say

today that we have evidence of an improving trend in demand

The downward movement in

the high cost of borrowing.

performance this year

DESPITE current difficulties, the' conditions may lie "not too far

are expected to show some Rank would benefit from the improvement over 1980. Mr. actions taken to discontinue

the rate of inflation and Tues- year in which the performance day's reduction in MLR were of the company's subsidiaries had

encouraging signs that better steadily deteriorated.

manufacturing

retailer, finished the the figures, the directors point January 31, 1981. Final-quarter new B & Q (Retail) subsidiary, pre-tax profits were £32.11m was 8.3 per cent up in the second half, compared with a rise of only 2.7 per cent in the first six months when pre-tax profits

crashed from £16.26m to £291,000. Apart from the improvement in turnover, the directors add that management's rigid control of expenses and stock levels

manufacturing activity in television and audio, and also the

withdrawal from film production.

On Rank Xerox, an associated company. Mr. Smith said it had

demonstrated its ability to main-

After the meeting, Mr. Smith stressed the Australian division

was "still looking strong" but

said he did not see an upturn in

difficult circumstances.

profitability under very

to £8.9m, earnings, including post-acquisition contributions from B&Q and profit from sale and leaseback transactions, neared last year's result at £38.46m (£40.79m). Dividends absorbed £18.13m (£18.59m) leaving a retained profit of £20.34m against £22.2n last time.

The directors warn that with the continued national economic recession "any upturn in consumer spending will be as difficult as in the year just completed."

Trading profits declined from

Interest charges were also from £9.21m to £13.77m. Rent income rose from £1.69m to £2.78m, while surplus on property disposals, excluding sale and leasebacks, was higher at £2.85m (£819,000). operating profit was £29,07m (£44,89m), and earnings per

share were 2.09p (5.68p). comment At the halfway stage Woolworth's pre-tax profit had fallen to virtually nothing; but in the

second six months the downturn £74.24m to £59.54m over the 12 has been held to 9 per cent months and depreciation costs accelerated to £12.18m (£10.29m). (excluding the surplus on property disposals). After declining

steenly in the early part of the year, volume in the second half seems to have risen by about 2 per cent, with the late decision to compete through price cuts probably the major factor in the recovery. Staff numbers have been cut by a tenth, while the level of stocks has been brought under control. Nevertheless, the company continues to produce a poor return on assets and conditions are likely to become tougher over the current year. The final dividend has been maintained producing a 13 per cent yield at 56p but is less than half covered by current cost earnings.

## Rank forecasts improved Pentos dives to £2.22m loss

£69.79m £72.42m Pentos made a pre-tax loss of £2.22m in 1980 compared with a profit of 3.82m last time. The CCA pre-tax loss emerged

At the half year this industrial holding company made a pre-tax profit of £802,000 (£1.25m), but Mr. T. A. Maher, chairman, said at that stage that the prospects for the rest of th eyear were not good.

A net interim dividend of 1.4p was paid but there is to be no final dividend. Last year a total of 4.0250 was paid. Interest charges amounted to

Sir Francis D. Ley, chairman £3.24m (£1.74m) and tax took of Leys Foundries and Engineer £310.000 (£804,000). After a ing told resterday's annual meet charge og £1.8m (£524,000) for ing of shareholders the group extraordinary items the net loss came out at £4.33m (£2.46m profit) and the stated loss per 10p share emerged at 6.42p (9.03p). There is an extraordinary

charge of £1.8m in respect of major reorganisation and closure costs. Redundancy costs incurred by continuing operations have been charged against trading profits. The number of people employed by the company wa reduced by more than 600 during the course of the year.

Mr. Maher said the first major impact of the recession in the UK was felt by the company in about the second quarter of 1980 and the decline has been accelerating since then, and, showed no sign of having reached the bottom.

Comparative figures have been adjusted for changes in accounting policy. Mr. T. A. Maher said he

believed that the business would have substantial potential for growth. The major rationalisa-tion steps taken in 1980 and the associated reduction in overhead costs would improve longer term prospects.

term costs had been high and the outlook for 1981 still was not encouraging. "Our trading budgets for 1981 suggest that we should be profitable, but that we will not return to the levels achieved in recent years before 1982, normal seasonal influences

Akey objective was to reduce borrowings, he said. "We finished the year with £5m moreinvested in stock than we had

#### comment

The unexpected plunge into loss by Pentes in the second half shocked the market. The shares fell 10p to 19p where the market capitalisation is only £12.1m compared with £15m of share-holders' funds. Publishing and bookselling made only £0.2m compared with nearly £1m in 1979 because of disappointing autumn academic and Christmas trading. Greenhouse sales fell away in the second half, leaving unsold stocks and camping gear moved slowly because of a wet summer. The difficulties of the furniture and construction industries are well known but Pentos had the added costs of closing Caplan's London factory and moving production to Derby. In addition to the £1.79m extraordinary items, the group charged about £1m above the line for redundancies and moving costs. Pentos hopes to make disposals worth several millions of pounds this year to improve its financial position. But no useful profits should be expected before 1982.

announces that with effect from 11th March 1981.

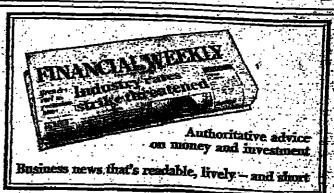
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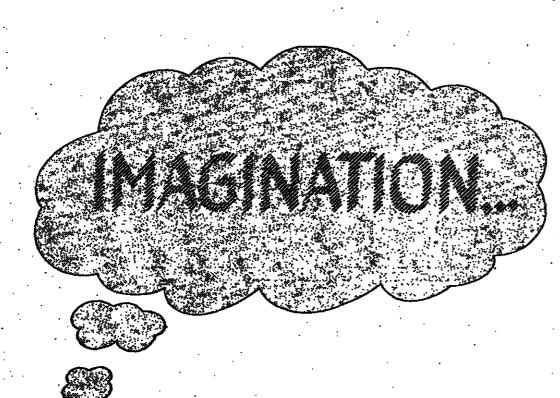
State Bank of India

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27/28 Lovat Lane	LONGON. EC3R	8EB	_ Te	lephone	01-62!	121
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With a little imagination, most things are possible, even when economic conditions are severe. What seems like science fiction today could be fact tomorrow.

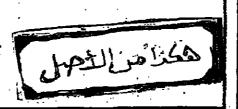
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Imagine what we'll achieve by 1990.



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## will mean that we will most likely incur a loss after interest costs in the first half of 1981." L & M Assurance ahead

and lower general branch underwriting losses enabled the net profit of London and Manchester Assurance to advance last year Investment income was £981,000 from £2.46m to £3.04m. Investment income was £981,000 against £829,000, while the loss

A final dividend of 7p has in the general branch been declared making a gross equivalent of 10p per share.

With the gross interim of 5p for 1980 on the ordin Profits from the ordinary been improved.

Substantially higher transfers branch rose from £746,000 to from life policyholders' funds, \$864,000 while those from the plus higher investment income industrial branch advanced from f771,000 to £949,000. Investment Trust Retirement Annuities provided £400,000 against £325,000. in the general branch fell from

With the gross interim of 5p for 1980 ou the ordinary branch this brings the total payment is lifted 20p to £5.10 per cent for 1980 to 15p gross per share of the basic benefit. Bonuses on against 12.5p in 1979.

## **EUROPEAN OPTIONS EXCHANGE**

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ing further realised profits aris-ing from the disposal of invest- market. DIVIDENDS ANNOUNCED British Aluminium Camellia Investments William Collins ...... 2.5 Findhorn Finance ... int. 6 Pentos nil Thos. Robinson 4p

May 12 April 27 3.57 Dividends shown pence per share net except where otherwise stated.

\* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Increased to adjust balance between interim and final. § Including special 0.4373

payment payment

April 27

April 3

May 14

May 14 5.5

May 1 1.88

State Bank of India

14% to 12% per annum

## T&N plunges £21m and cuts payout

and Newall plunged by over although there are "very slight calm in the 12 months to end-signs" that the worst might be

The taxable surplus emerged at £6.4m, which compares with 227.5m the previous year. At the interim stage profits were lower at £12.2m (£18.8m) but in the second six months the company-plunged into the red, incurring 2-pre-tax loss of £5.8m, against a surplus of £8.7m.

After a reduced tax charge of £13.9m (£16.5m) there was a netloss for the year of £7.5m (£11m

On a CCA basis the 1980 pre-tax surplus is reduced to a loss of £17.8m, compared with a profit

Commenting on the results Mr. Stephen Gibbs, the chairman, said he was far from satisfied. He said the main problems were the UK companies but with measures already taken—includ-ing cutbacks in manning levels said he was more confident about the group's future than a

The group performance so far. the current year does not

Vancg

e in the second

ann

India

وممير

المنافقة علائلة

F M. Versingen

E21mi in the 12 months to end-becomber, 1980, and the group over in the UK, the chairman is cutting its final dividend by added. Although he would make to 3p; making a net total of no forecast he said he believed 6p; compared with 11.5p. / the group was much stronger now than last year and it could take advantage of any easing of the recession when it comes.

He pointed out that the re-session deepened in the second half of 1980 and, despite the very tough measures the company took, it could not avoid its depressing effect. Demand in virtually all UK businesses con-

tinued to fall during the period.
In the second half the group concluded the sales of Newalls Insulation Company and the minority interest in Cassiar Resources, which realised £18m. For the year as a whole, £44m was realised from disposals of

The number of employees in the number of employees in the UK was reduced by 3,535 during the year. The main purpose was to secure a permanent reduction in overhead costs and manning levels generally.

Redundancy and severance payments totalled £6m (nil) and appear as exceptional charges in the accounts.

External sales of the plastics, automotive components, construction materials group, improved from £591.9m to £634.7m during the year, of which overseas sales contributed £309.9m (£254.2m).

The group earned more from profits from this source were £29.2m, compared with £24.6m because of a contribution of £10.3m from the companies in Zimbabwe. UK trading profits were down from £17.9m to

showed a debit of £1.4m (£4.2m debit) and extraordinary charges of £11.2m (£3.4m credits) there was an attributable loss of £20.1m (£10.2m profit). Loss per £1 share was 8.9p (6.8p earnings) before extraordinary items and, on a net basis there was a loss of 8.21p (6.29p earnings).

There was a transfer from reserves of £26.6m (£2.3m), end of year reserves stood at £208.4m

During the year several UK shortly after year end a plan to restructure Storeys was the highest UK profit contributor

Although negotiations with all interested parties are still in progress, the directors have made a £13m provision to cover both the cash costs and writing down surplus assets

A divisional breakdown of sales and profits shows: plastics and industrial materials £230.9m (£241.7m) and £0.2m loss (£12.2m profit); automotive components f191.3m (f182.6m) and f8.5m (£11.3m); construction materials £144.3m (£139.3m) and £12.3m (£5.2m); cliemicals £53.7m (£58.5m) and £2.9m (£5.9m) and mining £92.3m (£53.9m) and £8.1m (£7.9m).

Yesterday the group agreed to the reserve takeover of its industrial companies in Zimbabwe by Mashonoland Industries, in a deal which will give T and N 731 per cent of the combined equity and will effectively give its Zimbabwe interests a local

stock market listing. to repatriate half of its profits companies were restructured and after tax in dividends from second half of 1981.

## ltramar over £50m higher for year

mid-1980s.

barrels previously.

slight fall from £32.6m to £32.3m, but the petroleum exploration and development group ended 1980 over £50m higher at £126.3m, compared with £75.4m. Total sales, however, dropped from £1bn to £939.5m.

' All of the major divisions of the group were profitable and the Indonesian. Eastern Canadian and Caribbean operations had a particularly good year. But with most of the group's earnings in U.S. and Canadian dollars, results were adversely affected on conversion into sterling.

Mr. Arnold Lorbeer, the

although it may be difficult to surpass the 1980 profits.

The group faces additional taxation in the UK and Canada and there have been revised regulations in the U.S. which are not favourable to small.

refineries. However, the group's financial condition has improved greatly in the last two years and it is moving boldly to expand the scope of its activities. The chair-

man says the future looks bright. Capital spending for 1980 was £54m (£40m), of which the

Trading profits for the year increased from £106.4m to deferred tax. Including exchange gains of £0.6m (£1.5m) net earnings came through ahead from £46.8m to £74.1m. Final quarter profits at this level were marginally higher at £20.3m

Earnings per 25p share rose by 20.1p to 69.3p and a higher final dividend of 7p (adjusted 5p) net lifts the total payment from an equivalent 7.5p to 11p per share. Ordinary dividends absorb £16.8m (£9.9m) leaving the retained balance at £57.2m, compared with £35.6m.

Cash flow from operations reached a record £100.8m for the year, against £86.3m in 1979. In Canada, much of

recently appointed chairman, largest portion was spent on engineering has been completed says 1981 is expected to be development in Indonesia. Ultra- for adding a catalytic cracking another good year for the group, mar has begun a major three unit and incillary equipment to year expenditure programme in the Quebec refinery. Long lead exploration, shipping and times are on order and some on-upgrading of facilities to provide site work has been done. However, revised estimates by the wider base for profits in the contractor have more doubled the originally estimated The group's sales of showed a reduction last year from 279,900 barrels per day in cost and Ultramar is now faced

1979 to 213,200 barrels per day. Refinery runs were also lower, with oil refined averaging \$2,700 Although the project is still economically viable, such a large barrels per day, against 97,700 significant imbalance in the geographic spread of the group's assets, at a time when Govern-£141.7m. Tax charge was up from ment policy is to Canadianise £30.1m to £52.8m, of which the oil industry. Ultramar has £15.3m (£14.5m) related to therefore, decided to try to find a Canadian partner, or to reduce the investment by scaling down the size or elimiating some

with expenditures of

Engineering work is con tinuing, but construction work suspended. Owing uncertainty surrounding been made out of 1980 profits in respect of estimated net costs and commitments incurred to

The group has applied for and been granted interests in two blocks, each with a £5m applica tion fee, in the seventh round or licensing in the North Sea.

Raleigh

**Silencers** 

@ Reynolds | @ Parkray | @ Weldless

# **BANK LIMITED**

#### **Balance Sheet** at 31 December 1980

	£	-	£
Share Capital and Reserves		Current Assets	
Authorised shares of £1 each	21,000,000	Cash, balances at bankers, money at call and short notice	168,122,740
Issued ordinary shares of £1 each	16,000,000	Bills discounted	2,465,293
General reserve	5,250,000	Deposits with banks	127,405,182
Retained profit	2 <del>4</del> 9,142	•	
	21,499,142	Certificates of deposit purchased	9,437,721
Shareholders' subordinated		Loans and advances	44,660,397
loans	9,907,563	Accrued interest receivable and	<b>!-</b>
Total Shareholders' Funds	31,406,705	other debtors	12,369,898
Deferred Taxation	4,927,143	•	364,461,231
<b>Current Liabilities</b>		Loans and Advances repayable	•
Current and deposit accounts	493,318,590	after one year	173,601,193
Certificates of deposit issued	2,731,092	Leased Assets	11,091,738
Taxation	743,749	reasen vasers	11,051,750
Accrued interest payable and other creditors	15,618,508	Investments – Unlisted at cost	570.389
Proposed dividend	1,360,000	(directors' valuation)	5/0,369
	513,771,939	Fixed Assets	381,236
	£550,105,787	·	£550,105,787
		•	
•	•		

#### Extracts from the Chairman's Statement

The trading profit for 1980 was £5,756,384 compared with £4,391,691 for the previous year. The sum of £1,000,000 has been added to general reserve. The Board has recommended a dividend of £1,360,000 (8.5%). Further subordinated loans totalling £5,000,000 were provided by the shareholders on 23 December 1980. The authorised capital was increased from £16,000,000 to £21,000,000 on 21 March 1980, and the additional £5,000,000 is due for payment on 30 June 1981.

> P.O. Box 169, Commercial Union Building, St. Helen's, 1 Undershaft, London EC3P3HT. SHAREHOLDERS:

Ubic Nederland B.V.—50%

Creda

Libyan Arab Foreign Bank-25%

Midland Bank Limited-25%

British Aluminium | New World

@|Tower Housewares|@|Fords

Desford

Glow-Worm

Drynamels

#### Vol. 30 20 11 4 23 10 47 10 6 12 5 70 40 54 18 9 156p 428p 59p" 626p 157p 26 17 9 5 3 51 238p 390 420 100 110 120 130 390 420 460 16 17 9 5<sup>1</sup>2 3 30 16 72 72 1 2 3 2 265 392p 45 28 --819 4 87 57 38 --30 18 10 7 31 55 40 25 15 69 p 584p 94p 90 100 110 180 180 350 360 390 414 454 494 124p 341p

LONDON TRADED OPTIONS

#### GOPENG CONSOLIDATED LIMITED

Extract from the Statement of the Chairman Mr. J. D. Hellings, OBE., FIMM.

The Consolidated Accounts for the Group's financial year ended 30th September, 4980, show a gross mining profit, before depreciation, of £4,132,190 compared with £4,155,162 for 1979.

After taking into account investment income of £742,936 and other standard manufactures. and other sundry revenue, and allowing for depreciation and and other sundry revenue, and anowing for depredation and other charges, the overall profit for the group before taxation and exchange adjustments amounts to £4,658,392. The ultimate balance available for the year is £1,743,816 from which dividends of 30 pence per share (25 pence in 1978/79) costing £1,196,365-

e ocen deceared. In the first four months of the current financial year 8,507 piculs (514) -metric tons) of tin ore have been produced compared with 11.176 piculs (675) metric tons) during the corresponding period last year. Unusually wet weather conditions adversely affected dry mining operations, and were mainly responsible for the lower production results.

During 1980 the tin metal price continued at somewhat higher levels than 1979. Towards the end of 1980, however, prices drifted down to MS1,842 per picul, now expressed as

M\$30.45 per kilo on metrication. Only a small quantity of tin metal has been sold from the United States stockpile with no significant effect on the price

The dredge construction for Mambang Di-Awan Sendirian Berhad, our joins development with the Syarikat Permodalan dan Perusahaan Perak, Berhad, was completed in October 1980. Digging trials were commenced in November, and the dredge

commenced operations in January this year. During the year under review, careful consideration has been given by the Board to the investment of surplus funds in future mining development projects, in order that the Company may benefit in the longer term from the world's ever increasing for natural resources, more particularly base metals being carried out in Cornwall and both North and South America. and fuel. In the former case preliminary exploration is currently

After a most successful year for 1979/80 prospects for the current year seem more modest by comparison. It is anticipated that output will improve as new mining operations in the Sanglop Valley come into full production.

At any time a forecast of future results in tin mining is full of pitfalls as the tin price and production are the main factors involved, but at a time of recession this becomes even more difficult. At present the outlook for both these factors appears depressed, hence lower but never-the-less not unsatisfactory results for the current year may be expected,

#### Sharp drop for Thos. Robinson

Pre-tax profits of engineer and machine maker Thomas Robin son and Son plunged from £1.2m to £370,000 for the year end-December, 1980, on turnover down from £9.75m to £7.98m.

First-half profits before tax had fallen from £176,000 to £21,000.

Tax for the year took £104,000 against £634,000, and earnings per 25p share were down from 14.2p to 6.65p. The final dividend is unchanged at 4p, making a total for the year of 5p (4.8232).

On a CCA basis, there was pre-tax loss of £45,000.

FRANKLIN MINT
The listing of Franklin Mint
Corporation has been cancelled. the company having merged with Warner Communications.

SPAIN		
	Price	
March 11	%	+ 01-
Banco Bilibas	292	+5
Banco Cantral	332	+6
Banco Exterior	258	
Валсо Нізрапо,	277	+5
Banco Ind. Cat	128	+2
Banco Madrid	141	
Banco Santander	327	+5
Banco Urquijo	181	. •
Banco Vizcaya	312	÷5
Banco Zaragoza	230	<b>+1</b>
Dragados :	150	έà
Espanola Zinc	75	. •
Fecas	58.7	+0.2
Gel. Preciedos	32.5	
Hidrola	56 66	<b>+</b> 0.5
Iberduero	57.5	T Ų.9
	94.5	+2.8
	70	Ŧ2.8
Sogetisa	87	•
Telefonica	-61	
Umon Elect	65.2	-0.3
•:		

#### COMPANY NOTICES

GESTETHER HOLDING B.V. £10,000,000 11% STERLING
FOREIGN CURRENCY BONDS 1988
Gesteting Holding B.V. announces that
for the redemotion period ending on 16th
May 1981. It has purchased bonds of the
above loan for £1,000,000 nominal capital
for cancellation. N: M. ROTHSCHILD & SONS LIMITED tes Court. St. Swithin's Lane. London SCSP 40U.

#### PUBLIC NOTICES

11	47%. Total BUS outstanding £23.25
	ANSAMATIC
	We ofter a comprehensive range of telephone answering machines which you can now buy as well as rent.
	All Ansamatic systems are Post Office approved which means dependable installation and reliable servicing plus the quality was world?
	expect from such well known names as Sanyo and Doro, There's a model to sull your business so almply call us today on m-445 2451
	for further information. Ansamatic Ltd., Vistron House,

W12 8SL

# Russell Hobbs | Tubes | Crane Packing Churchili

## TI conserves cash as a safeguard in recession and a spring board for the future

Sir Brian Kellett, Chairman of TI, in a press interview yesterday announced Group results for 1980, and said that; in the face of the fiercest recession for 50 years, TI had had to close some factories and had made cost savings in all its businesses. Successful cash control bad preserved the scope for positive moves for the future at the Results

At the beginning of 1980 industry was looking for early relief from the pressures of high interest rates and the strength of sterling. In the event, 1980 saw higher average levels of interest rates than ever before while, partly as a result of this, sterling continued to appreciate against the trend of UK inflation relative to the majority of competitor nations. In addition to this, it became apparent once the steel strike in the early part of the year was over, that the country was falling rapidly into deeper recession.

All these factors combined to put extreme pressure both on profit margins and on the volume of activity. In the face of these pressures, to have tried to maintain capacity and manning levels in the hope of an eventual return to more normal conditions would have led to heavy losses and to insupportable cash drains. Regrettably, therefore, costs and capacity had to be cut. Enforced redundancies were unavoidable and

distressingly the numbers were substantial. Redundancy and closure costs provided in the year involving some 5000 people in 1980 and a further 3000 in the early part of 1981, already announced, totalled £25.4m and in view of the underlying reasons for their occurrence they have been treated as extraordinary items.

C 117 1 C . Cl		
Consolidated profit and loss a	iccount	1979
year ended 31st December 1980.	- Trace	£m.
External sales	1,158.2	1,213.8
Trading profit	53.0	73.5
Proportion of (losses)/profits of		
associated companies	(1.5)	18
	51.5	75.3
Bank and loan interest payable	(24.8)	(23.1)
Profit before taxation	26.7	52.2
Taxation	(10.3)	(12.3)
-	16.4	39.9
Minority interests	(5.4)	(8.3)
Earnings	11.0	31.6
Extraordinary items	(29.7)	1.5
	(18.7)	33.1
Dividends	(8.9)	(15.1)
Balance for the year	(27.6)	18.0
Earnings per £1 ordinary stock	18.5p	53.3p

Trading profit fell from £73.5m to £53.0m. Interest charges rose from £23.1m to £24.8m. Average. borrowings were lower than in the previous year but the Group's variable rate borrowings were influenced by the unprecedentedly high average level of interest rates during the year. Profit before tax was £26.7m compared with £52.2m in 1979. After deducting minority interests, earnings for the year before extraordinary items were £11.0m compared with £31.6m.

Cash Control

During the year, great emphasis was placed on the conservation of cash through the rigorous control of working capital levels and withdrawal from inadequately profitable marginal areas of business. Despite the heavily depressed level of profits there was a net cash inflow in the year of £3.1m This was made up of an outflow of £10.3m in British Aluminium. largely as a result of the high level of capital expenditure on the Lochaber smelter modernisation, and an inflow of £13.4m in the remainder of the Group. Capital Expenditure

Capital expenditure rose from £48m to £54.4m, including the Lochaber expenditure, which reflected the Group's policy of continuing to invest in schemes to enhance competitiveness in those areas of the Group where it is strategically desirable to concentrate

Dividend

In the light of the impact on the Group results of economic conditions in 1980 the Board has had to consider the level it recommends for the final dividend

Results by Business	Externa	l sales	Trading	g pirofit
Steel tube Aluminium Specialised engineering products Domestic appliances Cycles and toys Parent and other companies		1979 £m 314.1 288.4 243.3 208.4 157.1	1980 £m 9.8 20.6 6.9 10.2 6.4 (0.9)	1979 £m 15.5 26.8 13.4 16.2 3.2
	1,158.2	1,213.8	53.0	73.5

April 9, 1981. Further copies will be available from The Secretary, Tube Investments Limited, TI House, Five Ways, Birmingham B16 8SQ.



for the year taking account of the interim dividend already paid. In deciding to pay an interim dividend of 12.5p per £1 ordinary stock the Board took account of profits earned in the first half-year and expectations at that time for the second half. In the event the trading position and prospect deteriorated further in the second half and only small profits were earned in that period.

It is difficult to judge the duration of present conditions. There has been some modest relief recently of the pressure from high interest rates and an overvalued pound. On the other hand, assuming TI's own reduction in capacity and numbers employed may be typical of the manufacturing sector, it must be some time yet before the downward economic momentum can be halted and reversed. There is no evidence yet of substantial recovery in the volume of business, which would have to show through soon if it were to have much impact on 1981.

In these circumstances the Board have thought it right to reduce the total annual dividend to a new lower base, with the expectation of moving forward again as profits recover.

Accordingly the Board recommends a final dividend of 2.5p per £1 ordinary stock payable on 12 May 1981 to ordinary stockholders registered on the books of the Company at the close of business on 9 April

This dividend together with the interim dividend of 12.5p per £1 ordinary stock paid on 10 October 1980 makes a total distribution for the year of 15.0p compared with 25.5p per £1 ordinary stock for the year ended 31st December 1979.

Consolidated balance sheet			
31st December 1980			Ċ
	<b>1980</b>	<b>1979</b> .	
·	£m	£m	•
Net assets employed			
Fixed assets	247.3	227.4	
Deferred revenue expenditure, net	4.1	2.9	
Investments	17.6	34.1	•
Corrent assets	537.2	_589.9	•
, · · · ·	806.2	854.3	-
Deduct: current habilities	278.8	_299.9	1
	527.4	554.4	
Financed by		_	:
	<b>50.0</b>		:
issued capital	59.3	59.3	:
Reserves	278.7	308.4	
TI stockholders' funds	338.0	367.7	•
interests of minority shareholders	61.0	59.6	

427.3

100.5

26.6

96.5

31.9

**527.4**\_

Total shareholders' funds

Deferred liabilities and credits

LOSDS.

#### Yearling bonds total £10.45m

Yearling bonds totalling £10.45m at 12† per cent re-deemable on March 17, 1982 have been issued this week by the following local authorities: Wimborne DC (£0.25m), Tunbridge Wells BC (£0.25m), London Borough of Lambeth (£1m), Stirling DC (£0.5m), Arun DC (£0.25m), Chester Le Street DC (£0.25m), Etirick and Lauderdale DC (£0.25m), Etirick and Lauderdale DC (£0.25m) DC (£0.25m), Middlesbrough BC (£0.5m), East Hampshire DC (£0.5m), Metropolitan Borough of Rotherham (£0.5m), Gilling-ham BC (£0.5m), London Borough of Hounslow (£0.5m), Cherwell DC (£0.5m), Bolsover DC (£0.35m), Cleveland CC (£1m), City of Durham (£0.25m), Cleveland CC Hambleton DC (£0.25m), Lichfield DC (£0.25m), Macclesfield

#### **Barclays Bank** associate ahead

A modest increase from A\$3.8m to A\$3.91m in pre-tax profits is reported by Barclays Credit Corporation, an associate company of Barclays Bank in Australia, for the half-year to

January 31, 1981. There was a tax charge of \$1.8m against \$1.74m, leaving net profits up from \$2.06m to \$2.1m. In the last full year, net profits had climbed from \$373.3m

to \$529.4m.

The board says profitability has improved and it considers the results satisfactory.

#### PRINCE OF WALES HOTELS CAUTIOUS

Mr. A. M. Clayman, chairman of Prince of Wales Hotels, says, in a circular to shareholders giving details of the proposed acquisition of Varlety Inns, that it is too early to comment on the outcome of the year just ended. Though the current economic climate is still difficult, the directors look forward, with cautious optimism, to satisfactory trading by the enlarged

## **Sound Diffusion** seeks shareholders' views on proposal

electronic communications security systems, is seeking the views of its shareholders on the directors' preposals to acquire the two companies that manufacture and service its products and to buy back two customer rental contracts from

a finance company. If implemented, the proposals would involve a more than 35 per cent increase in issued DC (£0.4m), Mansfield DC (£0.3m), North Wiltshire (£0.25m), Owgr BC (£0.15m), Rochdale Metropolitan BC share capital by way of placings and share exchanges and so formal approval of shareholders will have to be sought. But the (£0.5m), South Oxfordshire DC (£0.5m). company has first taken the unusual step of sending shareholders a letter explaining the proposals and asking them to vote for or against them in principle.

If there is a simple majority vote in favour, then the group will obtain a formal valuation by independent accountants of the companies to be acquired and publish a full circular leading to an extraordinary general

The private companies to be acquired are Sound Diffusion (Manufacturing) and Sound Diffusion (Service), owned as to more than 99 per cent by Mr. C. R. P. Stoner, who is also chairman of Sound Diffusion (the public company), and Mr. T. D. Stonor, a former director

of Sound Diffusion. The private companies are to be acquired through an exchange of shares which would value them at 13.5 per cent of the total value of the public

company. Mr. Stonor and his family, who hold nearly 20 per cent of the shares of the public company, will not vote in the current poll nor at any subsequent EGM on

this proposal. The company also proposes buying back two blocks of rental installations from Capital Leasing for £2.6m and repaying other loans worth £2.2m and

Sound Diffusion, a supplier would finance this by placing electronic communications 4.5m new ordinary shares with

#### comment Profits of Sound Diffusion have

been depressed in the past couple of years because of the "topping up" payments it has had to make to leasing companies holding rental contracts on its equipment. The buying back of some of these contracts will reduce these payments and so add to profitability. The pro-posed acquisition of the manufacturing and service companies arises because of a peculiar requirement by financiers many years ago that they be kept years ago that they be kept separate from the rental com-pany. The public company depends totally on the private companies for its business, and now that their agreement to supply it has expired and one of the shareholders has retired, the acquisition seems a necessary move. The fact that the chairman of the public company will be a major beneficiary may disturb some but his terms do not seem

#### SUTTON WATER

The offer for sale by tender of £3m in 8 per cent redeemable preference stock 1986 by Sutton District Water Company has attracted applications for £9.9m of stock. The highest price to obtain an allotment was £110.00, the lowest price to obtain a partial allotment was £102.26 and the average price obtained was £102.39. Dealings begin on March 12, 1981.

#### PARADISE RIGHTS

"The best test of a business

is how well it can bounce back."

Acceptances have been received in respect of 75.29 per cent of the 3.41m shares offered by B. Paradise in an 11 for five rights issue. R. and J. Pullman holds 52.5 per cent of the shares of Paradise.

#### Belhaven group sells two

THE Scottish-based Belhaven Brewery Group has exchanged contracts for the sale of some of its hotel interests to Ellerman Travel and Leisure, a subsidiary of Ellerman Line, the shipping, travel, leisure and insurance

Scottish hotels

Belhaven is selling the free-hold of its Loch Lomond Hotel, Balloch, Dunbartonshire, for £190,000 cash and the freehold of the Royal Dunkeld Hotel, Dunkeld, Perthshire, for £155,000

cash. The group received rent of £28,750 a year for the hotels which were valued at £336,000 in the company's accounts to March 31, 1980.

Ellerman is also to pay a further cash sum of £40,000 for Belhaven consenting to the assignment by Ellerman to Leykeen of the sub-lease of the Royal Hotel, North Berwick, East Lothian.

Belhaven said it intended to use the proceeds of the trans-actions to further its expansion in the leisure industry.

Kuala Lumpur Kepong Ber-

#### KUALA LUMPUR KEPONG SALE

had has renegotiated the terms of the sale of Ladang Kepong to Multi-Purpose Holdings Berhad and the estate has been sold at M\$22,500 per acre. Total consideration is M\$31.91m (£6.32m) of which M\$3.19m will be paid on execution of the agreement with the balance being paid in equal inperiod. The deal is subject to prior approval of shareholders the Foreign Investment Com-

#### TAYLOR WOODROW SELLS GREENHAM

authorities.

Taylor Woodrow has sold Greenham Group (Pty.) to R. H. Johnson Crane Hire (Pty.). of Germiston, South Africa. As a result, Greenham Group has ceased to be a member of the Taylor Woodrow group of com-

## S. Montagu associate buys 5% of Renwick

International, is in the position of recommending the bid, although one of its associates has been buying Renwick shares in the market.

Guyerseller Zurmont Bank of

Samuel Montagu, as advisers dently of Samuel Montagu to Renwick Group which has Although Samuel Montagu agreed to an 85p bid from Kangra says that the 85p bid is "fair says that the 85p bid is "fair and reasonable," Renwick's share price has consistently held up above the offer price in the market. Yesterday, after a 1p fall in a sharply declining overall market, it was 87p.

Switzerland, a partly-owned subsidiary of Samuel Montagu, has bought 5.2 per cent of Renwick but a number of major bought 5.2 per cent of Renwick shareholders, including AAH, for investment clients. The with about 11 per cent, have

## Talbot dealership to join Attwood Garages group

BY RAY MAUGHAN

ATTWOOD GARAGES, the Walsall showrooms for a further General Motors distributor in £600,000. Mr. Marriott, who conwhich British Car Auctions has fesses to the rare distinction of circular to shareholders next month in which details of an injection of the new chairman's

years ago before setting up his management is to form the core of Attwood management and is forecast to provide profits of £75,000 in the current financial yesterday, are under £500,000. headquarters in Wolverhampton wood is steadily building up its up for sale at around £750,000 fleet sales activity and further and plans to dispose of its deals are being prepared.

taken a 57 per cent stake, turning over a milk float in expects to issue a Class Four Muswell Hill North London, as a trainee with Unigate, says that Attwoods will incur a substan-tial loss for the year ended private companies are to be January 31 last but expects to make substantial acquisitions for shares in the coming year, A former BCA executive seven The group has been negotiatown motor distributorship in ing for Ford Dealerships and Surrey, Mr. Tom Marriott plans accepts that to be appointed a to inject his private Talbot distributor for the leading dealership into Attwood. Its. volume car manufacturer in the country it must reduce its involvement with the largest auction group, BCA £75,000 in the current financial this end are now being formu-year its assets, Mr. Marriott said lated to dilute BCA's stake to 25 per cent or less by a series The new management has put of equity financed acquisitions Attwood's freehold town centre over the next 12 months. Att-

## Negretti offer extended

SHAREHODERS of Negretti and received group, have not been sufficiently of the ordinary and deferred eager to accept the 25p offer for the group from Wastern 25p. the group from Western Scientific, the institution-owned holding company.

Acceptances

Western is now extending its offer for another seven days to March 17 but has formally announced that there is no possibility of a higher offer. At the same time it warns that it will not make its offer unconditional until it has received a satisfactory level of acceptances. The offer for Negretti is to be

a prelude for an injection of capital into the company which recently announced pre tax losses of £455,000 in the six months to September last year. similar to the scale of losses in the comparable period. Western Scientific, backed by Electra Investment Trust and

venture capital groups acting for funds, Touche Remnant trusts and Commercial Union, plans to restructure Negretti as a new scientific instruments group. The National Enterprise Board

Corporation, together control just under half the shares, have agreed to accept the institutions' offer.

## 3M UK ACQUIRES TWO COMPANIES

3M United Kingdom has acquired all the shares of two private companies: Gratispool International Holdings, based in the UK, and Finglas Laboratories of the Irish Republic.
Gratispool, founded in 1938 and with headquarters at Heathrow, is a major British photographic processing company. It also has interests in Europe. Finglas Laboratories is a Dublin-based photographic processing company whose turnover in 1980 was £34m.

#### BRENTNALL BEARD SALE APPROVED

At the extraordinary general meeting of Brentnall Beard (Holdings), the insurance broker, which was held after the annual general meeting, shareholders approved the sale of Rose, Thomson Young (Underwriting) to Mr. William Cunningham and others. Following the meeting others, Following the meeting completion of the sale took place in accordance with the terms of the sale agreement.

#### Colguy builds up stake in William Press

While William Press, the mechanical engineering contractor, has been acquiring shares in French Kier, a subsidiary of Sir Robert McAlpine and Sons (CTI) has built up its stake in William Press to 10.012

per cent.
The subsidiary, Colguy Holdings, has acquired 2m shares in Press making its total holding 11.97m shares.

Earlier this week Press said that its stake in French Kier, the civil engineering group, had risen to more than 4 per cent.

#### 82.9% accept Munton offer

The offer by Munton for Monument Securities has been declared unconditional as to acceptances. Acceptances have been received for 6.16m ordinary shares, representing 82.9 per cent of the issued share capital of Monument. The offer remains open until 3 pm on March 24.

#### REED STENHOUSE IN JOINT VENTURE

Reed Stenhouse and Partners the UK insurance broker, and Risco International Holdings, SA, a subsidiary of Banco Ambrosiano Group, the Italian bank, are entering into a joint venture in the insurance broking

field in Europe and other areas. The initial investment of the new venture will be the acquisition of the insurance broking company CGA based in Italy with offices in Turin, Milan and Rome.

#### UNIGATE

The sale of production facili-ties by Unigate to the Milk Marketing Board in August, 1979, included certain assets constituting the charge for the 5 per cent debenture stock 1971 1981, 5‡ per cent debenture stock 1983-88, and 7‡ per cent debenture stock 1986-91. Fol-lowing the disposal the company deposited with the trustees cash of £10.1m, being the nominal value of the stocks then out-standing. Negotiations with the trustees for the substitution of other Unigate group assets have been completed and the cash deposit has been released by the trustees to Unigate.

#### Antofagasta £766,000 in the red

WHILE turnover of the Antiway Ce. rose from £6.66m to £8.59m the company's pre-fax profit of £13.941 last year turned to a loss of £786,086 for 1980. Tax charges amounted to emerged at £788,402 (£28,82) loss). After payment of fivi-dends amounting to £70,006 (same) on preference shares the loss came out at £558,402 (£98,470). The last ordinary dividend was paid in 1971. The directors say there was a loss in Chile, after revaluation adjustments and tax of £283,713 (£174,657). This loss is after charging severance payments of £627,240 in respect of employees made redundant during 1980.

These redundancies have arisen as a result of a comprehensive review of operations it Chile, they say, designed to reduce costs and maximis

efficiency.

The group loss before tax includes dividends and intensit received amounting to 238,433 (£179,100).

#### Ascot TV rentals calls in the receiver

Mr. Tony Rudd, chairman of Ascot TV Rentals, and head of the firm of stockbrokers Rove Rudd—which is to leave the Stock Exchange to concentrate on corporate finance—has called in receivers to the television

rental company.

Ascot TV Rentals, has been trading at losses described as "considerable" and the holding company has announced its intention of pulling out of the business.

The accounts for the year to March, 1980, have not been able to be finalised and resterday. announcement did not quantify

#### SHARE STAKES

Aurora Holdings - Cushion Trust has acquired 430,252, 8 per cent convertible preference (45.52 per cent). Pearl Assurance acquired 538,503, 8.25 per cent convertible preference shares (7.78 per cent) in August 1979.

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# LIMITED

Preliminary Announcement of Results for the year Ended 31st December, 1980

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的复数形式	1980 £'000	1979 £'000
Turnover	65,700	51,474
Earnings before Tax		
and Interest	5,384	2,999
Interest Payable	2,340	1,613
Earnings before Tax	3,044	1,386
Earnings after all		
charges and taxation	_1,437	548
Dividends	490	445
Earnings per Share	14.68p	5.84p

The Chairman, Mr. D. C: H. Crouch stated: "The outlook in the U.K. for the current year is still obscure and our objectives will necessarily remain flexible. However, it is our intention to continue the policy of reducing our overall indebtedness during this year.

"Our workload in the coal mining sector both in the U.S.A. and U.K. is substantial and will provide continuity of work for some years ahead. Our Directors are confident that. with this base, our Company can look forward to satsifactory future".

Recommended final 3.42p per share making total for the year of 5.05p per share, a 10% increase on last year.

Copies of the Annual Report can be obtained from the Secretary at Peterborough PE6 7UW

Agood performance in difficult market conditions

- \* Excellent achievement by Decorative Division which increased its volume sales in a falling market.
- \* Significant progress in Republic of Ireland. Larger factory opened in Dublin. \* Pre-tax profits \$1.8 million (1979-\$2.2 million);
- maintained dividend of 4.80p per share. \* Capital investment of \$1.2 million during the year-building for the firture.



Addressing shareholders for the last time at the Annual General Meeting on 11th March, 1981, the retiring Chairman N. G. Bassett Smith, C.V.O. said:

"The recession has affected purchases from merchant stockists as well as the use of our products by contractors and local anthorities. The results for the half year will reflect this. It is encouraging that exports are recovering from last year's low level, but it is unlikely that progress throughout our other activities will be made until there is some recovery in the

economy. We expect to more than maintain our position in the markets in which we operate. Shareholders can be assured that the Group will produce the best possible result in what are likely to be difficult trading conditions in 1981.



the manufacture of decorative trade paints and industrial fines York House, 37 Queen Square, London WCIN 3BIL

the recession. "Nobody likes

a reduction in profits.

"Least of all us.

"But we're not over-reactingbecause we know our basic long term strategy is sound.

Woolworth Chairman

Geoffrey Rodgers explains why

Woolworth's long term plans are not being deflected by

"What we're doing is restructuring and reshaping the whole idea of the Woolworth variety store.

"It isn't just a collection of smallcost items any more.

"It's a pragmatic and decisive split into four clear areas.

"The core of the new Woolworth is the two key development departments—that's DIY and Clothing. "Both have a sales potential"

that's literally enormous.

"And we've made

the investment necessary

to exploit that potential. "Second comes a group of specialised market opportunitiesaudio, electrical appliances, records, self assembly furniture and luggage

are good examples. Each of these has a strong

development potential. "Third are the sturdy traffic builders and profit centres-like confectionery, toiletries and

cosmetics, fresh food, restaurants. "Then come our traditional strengths-such as household

goods, stationery, haberdashery, "They'll always deliver a good,

strong profit and they're a vital part of the Woolworth service. "Finally, we're building on another traditional strength-

Crackdown Price policy. "Weekly figures of all stores are already showing positive results.

that of outstanding value-with our

"Óverall it's a very simple "We're giving our customers what they want at prices they can

afford. "And we're the only retail organisation in the country that can deliver it with such a variety of

goods and on such a scale. "That's why Woolworth today is such an optimistic

ts. WOOLWORTH the change." هكنامن المعمل

## Collins turns round to £2.05m

FOR 1980 book publisher William Collins and Sons (Holdings) turned round its 1979 f255,000 pre-tax loss to £2,05m profit on turnover reduced from

The directors state that this turnover was up to expectations. and shows an increase of 6.3 cher cent in value on a com-parable basis, if 1979 sales of £5.1m relating to the U.S. sub-sidiary closed during the year

ca final dividend of 25p per 25p share has been recommended, to give a total of 3p for the year (nii). Dividends at this level absorb £414,000 (nil). Profit margins were main-

frained in most publishing divisions, although in common with most UK publishers sales in terms were generally lower, they state. . Collins' share of profit from

an associated company was £140,000 (£239,000). A charge of £144,000 for exceptional items

PRE-TAX LOSS reported in the preliminary figures of British Enkalon surged forward from

£2.15m to £8.93m for the year to

December 31, 1980, on turnover down from £60.53m to £57.18m. At the mid-term a pre-tax loss

of £2.94m (£531,000) was re-borted, and Mr. J. Martin Ritchie, chairman, warned that

the remainder of the year was likely to bring a further de-terioration for this man-made

Interest charges were up at

£2.37m (£2.34m), tax up to \$246,000 (£8.000), and the loss attributable to minorities came

An extraordinary provision of

fibre manufacturer.

**BOARD MEETINGS** 

The tollowing companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals. TODAY

Interims: Coronation Syndicate, HTV, Hunt and Moscrop (Middleton). Stock-lake, Strong and Fisher, Tweefontein United Collieries, United City Merment, Angio American Industrial, STR, Britannic Assurance, British Petroleum, City and Commercial Investment Trust, Richard Clay, Corah, Davies and

further redundancy costs in the UK, less a saving in the 1979 provision for the closure of the U.S. subsidiary. Tax for the year took £382,000

(£225,000 rebaté) and retained profits emerged at £1.26m (£30,000 loss). Stated earnings per share came out at 12.1p (0.2p

The attributable loss emerged

Mr. Ritchie says that in light

of the substantial closure of the

company's textile capacity, the

results for 1980 are less un-

expected than they would have

been. Nevertheless, he says,

there is no gain saying its extreme severity, creating as it

does a deficit in shareholders'

The extraordinary provision

has been made in respect of the

textile yarn plant only, he said.

discussed with Akzo-Enkalon's

funds in excess of £5m.

Fout at £742,000 (£485,000). Net In the case of the carpet yarn Toss emerged at £9.72m (£2.64m). plant, whose future is now being

£11.5m has been charged for Dutch parent company—and the losses arising from the recently government in Northern Ireland,

at £21.22m (£2.64m), and the stated loss per 25p share was 17p

East Lancashire Paper, Habit Engineering, Harmony Gold Noodlars, New Equipment, Mining, Needlers, New Equipment, Nu-Swift Industries, Reluge Assurance, Royal Dutch Petroleum, "Shell "Trans-ort and Trading, Transport Develop-ment, United Biscuits. FUTURE DATES

| Philips | Lamps | La

mediate improvement in trading conditions is expected but they are confident of continued proeress from a position of compara-

comment

The clever money which been trailing William Collins's rationalisation over the past year has been amply justified in its are rather long.

ing the outcome of the negotia-

made possible, he says, by the

fact that Akzo, which ultimately

holds 83.7 per cent of the shares.

has confirmed its intention to

continue to support the company

to ensure the discharge of all its

trading liabilities during the

limited period of the negotia-

possible to indicate a date for the AGM or for the prior distri-

bution of the annual report and

The long-suffering minority shareholders in British Enkalon

minority

assumption has been

onfidence with appual profits of which loss elimination probably accounts for some £1.5m. The moves had been fairly well managed to heat most outside forecasts all the same and the DESPITE A national decline in shares put on 5p vosterday to the manufacture and sales of At this level the part confectionery, volume sales at 148n. dividend restoration still yields Maynards rose from £24.15m to just under 3 per cent which underlines the influence of bid £31.39m for the six months to December 27, 1980. However, speculation. Collins remains confident that profits on the new from £236,000 to £284,000 and a fall in profits from exceptional items from £497,000 to £40,000, cost base will continue the heights £337,000 last time. In his statement, Mr. H. Peter Salmon, the chairman, says that

recovery and begin to establish resembling normal trading con-ditions. And the Pontana paperhack division, which claims about a tenth of the UK market. is said to be picking off rival's share of the trade. Yet takeover hopes clearly continue to make an impression although what Pergamon, with all its commit-ments at BPC, will do with its 7.5 per cent holding is by no means clear. The odds on sub-stantive action from this quarter

30 per cent on 1979, while trading profit had risen by 28 per cent totalling £1.48m (£1.16m). In the group's manufacturing division profits in-British Enkalon reports £8.93m pre-tax loss creased despite a decline in gross profit margins. The Board is therefore paying an interim dividend of 3.125p

deficit on/shareholders' funds of

more than £5m, Enkalon has

exactly

now reside in nepotiations which

involve Dutch parent Akzo and

the Northern Ireland authorities.

If the two parties can come up

with around £12m then more than

2.000 jobs at Antrim might have

a sounder future. But even then

there could be no certainty of recovery—Enkalon has a proven

disease,

adjust the balance between the chalked up its sixth consecutive interim and final payments year in the red in a big way. which totalled 8.75p last time. The company's fortunes as a The exceptional items were maker of man-made fibres are made up of profits from the not difficult to understand. "We disposal of surplus shop properties. A further profit of have been stricken by the same pattern, as ICI and Courtaulds" of the London district ware explained Enkalon's chairman last night. Hopes for the future

(1.875p) absorbing £152,365. The

Buoyant

sales keep

**Maynards** 

on course

Taxation took £445,000 against

in view of the lack of growth in

manufacturing industry and the

extremely competitive state of the retailing scene the results

Group sales had increased

"reasonably satisfactory."

and will be included in the full year accounts. meeting will be convened in June to consider the employee

share ownership scheme which if approved, will be introduced respect of the current financial year. The outlook for the year as

government in Northern Ireland, (representing around 17 per ability to consume cash injections a present assumption has been cent) may be forgiven for at an alarming rate. Yesterday's made of a going concern, pend-tearing at their hair. With more share price settled at 5p, down 1p. whole remains unclear and, in view of the present economic climate, no guarantee of any in crease in the total dividend for plans for expansion will be continued and the Board trusts that it will submit favourable results for the full year.

## Brooke Tool outlines expansion plans

mining industries, chairman Mr. Sandy Saunders told the AGM. In addition, he said negotiaare proceeding which may activity in existing factories. to costs at a time when revenues Mr. Saunders revealed that the from sales are falling, group had recently acquired a The chairman said the Board

acquisitions, the chairman said. He pointed out that it had been decided to accelerate the plant replacement schedule, and the market and product developallow the group to purchase new ment pogrammes, even though product lines to expand the level these plans will add significantly

marketing company to is determined that all group

from the installation of advance technology production plant had been incurred in the current

comment

of establishing distribution organisations in the U.S. and continental Europe. Mr. Saunders said designing

THE SEARCH by Brooke Tool south-western area of the U.S. exploit the many opportunities reduction in turnover in the Engineering (Holdings) for suit. The purchase last year of able businesses has resulted in discussions taking place with discussions taking place with companies supplying equip ficant funds a available for available for additional fixed charges arising most if not all, of the operating of advance and in the first six profits earned in the first six months of the current year, although an increasing market trading period as well as the cost share in the second-half should restore profitability, in the circumstances, to a more reasonable

He added that an improvement the new Boxford lathe had also in overall activity in the group's 6p resulted in substantial developaggressive investment policy ment expenditure - adding that should result up penetration of the companies must be able to fully there had been a very significant growth over the next few years.

#### FAMILY TRUST

With gross revenue higher at earnings of the Family Investment Trust came through ahead from £260.576 to £279,960 for the year to January 31, 1981, renresenting 6.36p (5.92p) per 25p

A final dividend of 3.6p raises the total payout from 5.55p to

in reliable value per share was down next few years. marginally at 120.6p (120.7p).

# WOOLWORTH

**Annual Results** 

Year ended 31 January 1981 (per historical cost convention)

· · · · · · · · · · · · · · · · · · ·	<u></u>	
	31 J	ended anuary
	1981 2000s	1980 £000s
TURNOVER (including value added tax) Deduct: Value added tax	1,067,846 (116,232)	977,995 (89,847)
TURNOVER (excluding value added tax)	951,614	888,148
TRADING PROFIT	59,538	74,244
Deduct Depreciation	(12,182)	(10,295)
Interest	(13,765)	(9,208)
Add : Rentincome	2,780	1,693
Surplus on property disposals,	ــــــــــــــــــــــــــــــــــــــ	1,000
excluding sale and leasebacks	2,845	· 819
PROFIT BEFORE TAXATION Taxation	39,216 (8,909)	57,253 · (15,708)
PROFIT AFTER TAXATION	30,307	41,545
Add : Extraordinary items	3,0,307 8.649	41,040
Deduct: Foreign currency differences	(492)	(754)
Deduce 1 oreign contents and consess	— (4 <u>92)</u>	(7.54)
PROFIT FOR YEAR	38,464	40,791
EARNINGS per Ordinary Stock Unit of 25p	8.02p	10.99p

- In this extremely difficult trading year, turnover exceeded the £ billion mark. On an ex-VAT and comparable basis, the improvement in turnover in the second half year was 8.3% up on last year's period and compares to only 2.7% in the first half
- The second half year's profit performance was much better than that of the first six months. Apart from turnover improvement, management's rigid control of expenses and stock levels assisted to offset the pressure on margins and sustained high interest rates. As a result, the after-tax earnings of Woolworth together with the post-acquisition contribution from the new subsidiary, B & Q (Retail) Limited, and profit from sale and leaseback transactions included in extraordinary items enabled the profit for the year to be close to that of last year.
- The directors are proposing a final dividend of 3.5695p (1980 3.5695p) per 25p. stock unit payable on 27 April 1981 to stockholders on the register at 20 March
- The effects of the nation's economic recession persist and any upturn in consumer spending is probably still distant. Therefore, 1981 trading and profit attainment will be as difficult as in the year just completed.

F. W. WOOLWORTH AND CO., LIMITED Woolworth House, 242/246 Marylebone Road, London NW1 6JL

# looks bright

#### **Preliminary Announcement of 1980 Group Results**

		<u> </u>	
Summary of financial results	1980 £ million	1979 £ million	Increase £ million
Sales	939.5	1,001.7	(62.2)
Operating profit before taxation	126.3	75.4	50.9
Net profit	74:1	46.8	27.3
Cash flow from operations	100.8	86.3	14.5
Capital expenditures	54.0	40.0	. 14.0

#### The Year 1980

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Cash flow from operations, operating profit before taxation and net profit in 1980 were all at record levels. Most of the Ultramar Group's earnings are in U.S. and Canadian dollars and the results were adversely affected on conversion into sterling.

All of the major divisions of the Group

were profitable. The Indonesian, Eastern Canadian and Caribbean operations had a particularly good year. These fine results were achieved despite a reduction in the Group's sales of oil from 279,900 barrels per day in 1979 to 213,200 barrels per day in 1980. Refinery runs were also lower. Capital expenditures for 1980 were £54 million of which the largest portion was spent on development in Indonesia. The Group has begun a major three year capital expenditure programme in exploration, shipping and upgrading of facilities to provide a wider base for profits in the mid-nineteen eighties.

#### **Canadian Operations**

We have completed much of the engineering for adding a catalytic cracking unit and ancillary equipment to the Quebec Refinery. Long lead time items are on order and some on-site work has been done. Revised estimates by the contractor have more than doubled the originally estimated cost and we are now faced with expenditures of approximately Can. \$300 million. While the project is still economically viable even at this figure, we have to face the fact that such a large investment would create a significant imbalance in the geographic spread of the Group's assets at a time when Government policy is to Canadianise the oil industry. We have, therefore, decided to try to find a Canadian partner or alternatively to reduce the investment by scaling down the size or eliminating some units. Engineering work is continuing but construction work on the site has been temporarily suspended. Due to the uncertainty surrounding this project, we

have made a provision of £9 million out of 1980 profits in respect of the estimated net costs and commitments incurred to date.

#### North Sea

We applied for and were granted interests in two blocks, each with a £5 million application fee, in the seventh round of licensing in the North Sea. In block 9/11 we have a 31.25 per cent interest with Union Oil, also with 31.25 per cent, being the operator: Getty has a 31.25 per cent interest and a Norwegian company has 6.25 per cent. In block 29/5b, we are the operator with a 35 per cent interest. Pan Canadian Petroleum and Houston Oil and Minerals each have a 25 per cent interest and British Electric Traction has 15 per cent. We have also applied for several blocks which carry no premium and an announcement on the award of these blocks is expected shortly.

In the U.K. and Canada we face additional taxation and in the U.S. there have been revised regulations which are not favourable to small refineries. Nevertheless, we expect 1981 to be another good year for Ultramar, although it may be difficult to surpass the profits of 1980. The financial condition of the Group has improved greatly in the past two years and we are moving boldly to expand the scope of our activities. The future for Ultramar looks bright.

#### Dividends

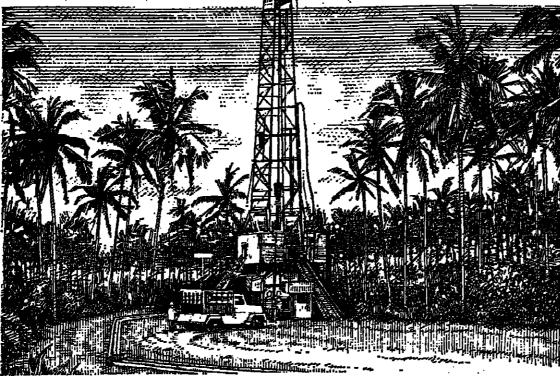
An interim dividend of 4p per Ordinary Share was paid on 7th November 1980. We will recommend at the Annual General Meeting on 29th May 1981 that a final dividend of 7p per share be paid out of 1980 profits. This dividend will be paid on 29th May 1981 to shareholders registered at the close of business on 24th April 1981.

#### **Annual Meeting**

The Report and Accounts for 1980 will be issued on 24th April 1981. The Annual General Meeting will be held at the Great Eastern Hotel, Bishopsgate, London EC2, on Friday, 29th May 1981 at 11 a.m.

> ARNOLD LORBEER, Chairman.

11th March 1981.



Consolidated profit and loss account		1980 £ million		1979 £ million
Sales	•	£939.5	<del> </del>	£1,001.7
Profit on trading		141.7		106.4
Amortisation, depreciation, depletion and amounts written off	15.4		15.5	· •
Elimination of remaining unamortised costs in Iran	·	15.4	15.5	81.0
Operating profit before taxation		126.3		75.4
Taxation on operating profit Current Deferred	37.5 15.3		15.6 14.5	
Deletteu	<del>.</del>	52.8		30.1
Operating profit after taxation Foreign exchange fluctuations (Note 2)		73.5 0.6		45.3 1.5
Net profit Convertible Redeemable Preferred Shares dividends including Advance Corporation		74.1		46.8
Tax written off (Note 4)		0.1		1.3
Earnings attributable to Ordinary Shareholders Ordinary Shares dividends:	•	74.0		45.5
Interim 4p (1979, 2½p) Final 7p (1979, 5p)	4.3 7.4		2.3 4.6	
Advance Corporation Tax written off	5.1	16.8	3.0	9.9
Earnings retained for the year		£57.2		£35.6
Cash flow from operations		£100.8		£86.3
Earnings per Share (Note 4)		69.3p		49.2

Group operating profits are largely in U.S. and Canadian dollars.

The gain on foreign exchange fluctuations of £0.6 million during 1980 relates almost entirely to long term loans of invididual companies repayable over the years to 1983.

2.89 2.86 1.20 1.78

Operating results	1980	1979
Sales of oil (barrels per day)	213,200	279,900
Oil refined (barrels per day)	82,700	97,700
Oil produced (barrels per day)	8,900	9,800
Gas produced (thousands of cubic feet per day)	168,300	174,800
Net acreage interest	3,253,000	2,882,000
Gross wells drilled	71	51
Oil and gas wells completed (in which the Group has		
varying interests)	50	41

To: The Secretaries, Ultramar Company Limited, Morgan House, 1 Angel Court, London EC2R 7AU. Please send me a copy of the full Preliminary Announcement of 1980 Group Results.

Itramar

Address.



FT 123



Extract from the Statement in the 1980 Annual Report and Accounts by the Chairman, Professor T. Wilson, OBE.

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In 1980 - the first year of our new triennium, which will carry us to the eve of our centenary — Britain

experienced the worst recession for many years. The demand for endowment assurance policies from house purchasers fell back. For the most part this decline reflected the reduction in activity in the house. market. Fartly also it may have been due to the insistence in some quarters that endowment assurance is a costly way of redeeming a house mortgage. Endowment assurances, like the other main torms of life assurance policies, are of course designed as longterm contracts and a borrower who sells his house alter only a few years, surrenders his policy and then takes out a new policy on purchasing another house would have done better to choose a different repayment system. Nevertheless there should be no need to change policies in this way for the existing one can be kept in force and an additional one effected for the amount needed to match the next loan. In house purchase arrangements, as in other assurance matters, it is important that responsible advice should be readily available. The elimination of the irresponsible selling of contracts is a firm objective of the life assurance offices. When contracts are properly related to needs and to capacity to pay and when these

New pensions business, lifted to a peak by the legislation that came into force in 1978, continued to increase but much more slowly. There was, however, a

policies are held on a long-term basis, they can be the

most advantageous way of repaying a mortgage loan

marked increase in new premiums on contracts for the self-employed, stimulated by the changes in tax allowances during the year. INVESTMENTS

British industry has suffered a severe loss of competitiveness over the past two years. Almost twothirds of this loss has been caused by the relatively steep inflation of domestic costs, and about a third by the high value of the pound. The rise in domestic costs has been less severe latterly in the industries exposed to foreign competition and it is to be hoped that those in the more sheltered industries will recognise that they too are under an obligation to display moderation. The pound, however, is likely to remain high even if it declines a little. Profits have already suffered severely , and in the short run at least the prospect is not

We thought it prudent, therefore, to adopt a defensive attitude with regard to equities and to do so in good time. After the sharp rise in share prices in June and July, which took the Financial Times Industrial Ordinary Share Index up once again to 500, selective sales were begun. Thus the proportion of equities by market value in the Society's main fund was 25 per cent at December. 1980 compared to 361/2 per cent at December 1979. This action was not merely defensive - fixed-interest securities, acquired at high yields, should provide policyholders with a very attractive return in real terms as the rate of inflation is gradually pulled down. The proportion of gifts by market value increased from 32 per cent to 40 per cent over the year.

The Annual General Meeting of the Society takes place in the Central Hotel, Gordon Street, Glasgow, on Wednesday 25th March, 1981 at 12.15 o'clock.

Copies of the full Annual Report and Chairman's Statement can be obtained from the Secretary, 109 St. Vincent Street, Glasgow G2 5HN.

or a series of such loans.

The Scottish Mutual Assurance Society Head Office: 109 St. Vincent Street, Glasgow G2 5HN

> NOTICE OF REDEMPTION To the Holders of

#### Oueensland Alumina Finance N.V.

9% Collateral Trust Bonds Due 1982

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the Queensland Alumina Finance N.V. Collateral Trust Indenture dated as of April 1, 1970, U.S. \$3,000,000, principal amount of the above described Bonds have been selected for redemption on April 1, 1981, in lieu of a redemption for the purpose of the Sinking Fund, at the principal amount thereof, together with accrued interest to said date, each in the denomination of \$1,000 hearing serial numbers with the prefix letter "M"

Outstanding Bonds bearing serial numbers ending in any of the following two digits:
01 05 06 11 15 22 28 31 32 33 37 41 43 47 52 53 57 63 65 66 75 80 81 86 98

Also Bonds bearing the following serial numbers: 1 339 2639 3539 4339 5139 5539 5939 7039 9939 10739 13439 14539 15439 15639 17539 19139 6 639 2839 3939 4539 5239 5839 6039 8639 10339 12039 14239 14739 15639 17139 18739 19339

On April 1, 1981, the Bonds designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for public and private debts. Said Bonds will be paid, upon presentation and surrender thereof with all coupons appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the corporate thereto maturing after the redemption date, at the option of the holder either (a) at the corporate trust office of Morgan Guaranty Trust Company of New York, 30 West Broadway, New York, New York 10015, or (b) subject to applicable laws and regulations, at the main offices of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt (Main), London or Paris or at the main offices of Bank Mees & Hope NV in Amsterdam or Banque Internationale à Luxembourg S.A. in Luxembourg. Payments at the offices referred to in (b) above will be made by check drawn on, or by a transfer to a U.S. dollar account maintained by the payee with, a bank in New York City. Coupons due April 1, 1981, should be detached and collected in the usual manner.

On and after April 1, 1981, interest shall cease to accrue on the Bonds herein designated for redemption.

QUEENSLAND ALUMINA FINANCE N.V.

By WILLIAM HOBBS, Managing Director

Dated: February 17, 1981

NOTICE

The following Bonds of U.S. \$1,000 each previously called for redemption have not as yet been

M 535 1526 1646 2430 2721 4356 4385 4519 4713 5700 6680 8685 11713 12846 18273 18485 19619 1055 1844 1650 2438 3970 4356 4387 4521 4721 5750 7445 9321 11714 13961 18285 19185 1521 1645 2425 2640 4335 4371 4518 4555 5671 5761 7590 8561 12844 18213 18444 19617



#### The British Aluminium Company Ltd

Results for the year ended 31 December 1980.

Key Points from the Preliminary Profit Announcement. \* Group profit before tax was £12.1 million compared with £20.6

- million in 1979.
- \* Profits in the second half were affected by the deepening recession, reducing both volume and margins, combined with high interest rates and the strength of sterling.
- \* Due to the steep decline in profitability, in the second half of 1980 and the poor outlook for 1981, a reduced final dividend of 2.0p is recommended, making 7.5p for the year compared with 13.5p for 1979.

Year ended 31 December	1980 £'000	1979 £000
Turnover	278,133	268,708
Profit before taxation	12,132	20,630
Profit after taxation	9,754	<i>17,771</i>
Cost of dividends	3,690	6,592
Dividend per 50p	,	-,
Dividence bor oob		

**Ordinary Share 7.5**p 13.5p

The full Report and Accounts for the year ended 31 December, 1980 will be available after 31 March, on request to the Company Secretary.

The British Aluminium Company Ltd 7 Baker St. London WIM 1AB.

#### MINING NEWS

## Sharp rise in value of Zimbabwe mineral output

IN THE FIRST year of normal trading following the lifting of conomic sanctions, mineral proluction in Zimbabwe rose by dimost one-third in 1980 in 415m Zimbabwe dollars (£280m).

This impressive growth was entirely attributable to the higher prices Zimbabwe received for its metals and minerals, reports Tony Hawkins from Salisbury. The volume of production fell marginally to its lowest level for eight years.

While volumes should improve

Corporation Falconbridge
Copper for 1980 were 35 per cent
lower at C\$30.3m (£11.3m) than
1979's record of C\$46.5m.
The company, a 50.2 per centowned subsidiary of Falconbridge Nickel which is in turn
owned as to 37 per cent by
McIntyre Mines, attributed the
decline to lower metal produc-

decline to lower metal produc-

tion, higher operating costs.

increasing exploration expendi-tures and higher tax payments, reports John Soganich from

Falconbridge Copper paid a total dividend for 1980 of C\$1

per share, up from 60 cents in 1979.

doubled its exploration spending last year to C\$7.6m. The

The drilling programme con-ducted during 1980 by CSR at its Yandicoogina prospect in the

Pilbara region of Western Australia has raised proven minable reserves of high-grade

iron ore to 443m tonnes from

mated at 2.94bn tonnes, includ-ing 800m tonnes of probable and

The company said that it is negotiating with potential

**ROUND-UP** 

225m tonnes.

profits setback

this year, the value of mining production could well decline for the first time in almost 20 years. Output is still threatened by shortages of skilled labour and railway wagons, and even if these constraints are overco the value of production will be hit by sharply lower prices for

gold, nickel and copper. The gold price was the prin-cipal factor in the rise of some 2\$100m last year, accounting for about 65 per cent of the increase. Gold production totalled

directors said that two major discoveries had been made, on

the Ansil copper-zinc-silver-gold prospect near Noranda, and the

Opawica gold property, both in north-western Quebec.

**QUOTE RESTORED** 

Meekatharra Minerals are to be re-quoted on the Sydney Stock

Exchange today. They were sus-

perded at the company's request

a month ago, after a dispute with the South Australian Minister of Mines and Energy,

Mr. Roger Goldsworthy, over

claims as to the size of the

company's reserves at the

partners in Japan and the Pacific Basin.

equipment in the world, will take

organisers expect over 100,000 visitors to the exhibition, with

more than 600 manufacturers

Barclays Bank Interest Rates.

BASE RATE.

Barclays Bank Limited and

**Barclays Bank International Limited** 

announce that with effect from the close

of business on 11th March, 1981,

their Base Rate was decreased from 14%

to 12% per annum.

This new rate applies also to Barclays Bank Trust Company Limited.

RATES FOR SAVERS.

Bonus Savings and Payplan Accounts.

Interest paid was decreased from 131%

to 11% per annum.

Ordinary Deposit and Savings Accounts.

to 9% per annum.

Interest paid was decreased from 111%

**BARCLAYS** 

place in June 11

Duesseldorf from to June 17. The

MEEKATHARRA

Falconbridge Copper

Falconbridge

cent of the total value of mineral production. Asbestos production, valued at 2\$70m, was the second biggest contributor to total output, followed by nickel at 2565m.

One of the country's leading nickel producers, Bindura Nickel, yesterday announced a 30 per cent rise in 1980 operating profits

Z\$13m. Bindura, part of the American Corporation of South Africa group, lifted its total dividends for the year to 23 cents a share from 14 cents in

Arckaringa Basin coal deposit. Earlier this month, Meeka-tharra's chairman, Mr. Don O'Callaghan, announced a 100hole drilling programme to cost AS900,000 (£467,000), which he said should justify the reserves figures given by the company.

#### GENCOR RESULT LIFTS FEDMYN

SOUTH'S AFRICA'S Federale Mynbou has turned in a sharp rise in pre-tax profit for the year to December 31, largely on the back of the increase at the 50.4 per cent-owned Gencor, reported

Pre-tax profits were R406.3m (£233m), compared with R218.2m, on sales of R2.12bn against R1.26bn. Earnings came out at 418 cents a share, up from 218 cents, and the final dividend is lifted to 84 cents from 61 cents for a total of 126 cents

against 84 cents.

customers and joint venture be obtained from NOWEA, Postfach 32 02 03, Duesseldorf,

Bergbau 81, the largest intertion Radio Luanda reported that all diamond prospecting rights in national exhibition of mining the country have been granted to the state-controlled Endlema Corporation.

In 1979, the latest year for which figures are available; Angola produced \$41,000 carats, demonstrating equipment, mate-compared with a pre-independ-rials and services. Details can ence total of 2.4m carats in 1974.

## **National Westminster Bank Limited**

NatWest announces that with effect from Wednesday. 11th March; 1981 its Base Rate is reduced from 14% to 12% per annum.

The basic Deposit and Savings Account rates are reduced from  $11\frac{1}{2}\%$  to 9% per annum.

#### **Standard Chartered**

announce that on and after 12th March, 1981 its Base Rate for lending is being decreased from 14% to 12% p.a.

The interest rate payable on deposit accounts subject to seven days notice of withdrawal will be decreased from 12% to 9% p.a. The interest rate payable on High Interest deposit accounts subject to twenty one days notice of withdrawal will be decreased from 13% to 10½% p.a.





**Base Rate** 

TERNATIO

15m

ANDS GHILES

BANK OF CREDIT AND COMMERCE INTERNATIONAL S.A.

announces that from 11th March 1981 its base rate is changed

from 14% to 12% p.a.

100 Leadenhall Street London EC3A 3AD

# **Base rate**

Australia and New Zealand Banking Group Limited announces that on and after

12th March 1981 its base rate will be

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED 71 Cornhill, London EC3V 3PR Tel: 01-523 7111

PENGKALEN LIMITED EXTRACT OF CHAIRMAN'S STATEMENT

PENCKALEN-LIMITED

EXTRACT OF CHAIRMAN'S STATEMENT

In November last year Mr. J. T. Chappel decided to a relinquish the Chairmanship of the Company and, my-colleagues on the Board elected me in his place; Mr. Chappel will remain a Director of the Company.

The pre-tax profit for the year amounts to £123.250, cempared to £302.282 in 1978/79. Output fell to 151.81 metric twins (240.38 metric tons in 1978/79) due mainly to the reduced volume of virgin ground treated on the road reserve. The matric ton (£3,653 per metric ton—1978/79).

After taxation of £48,285, the net profit for the year amounts to £74,965, from which £56,000 has been distributed by way of dividends totalling 3.5 pence per share. The balance of carried forward at the end of the year under review is thus, of increased by £18,965 to £279,510.

During the first three months of the year 380 piculs (23 metric tons) of tin ore have been produced compared with 790 piculs (47.8 metric tons) during the corresponding period last year, the treatment of tailings being again responsible for the lower production obtained by the dredge.

Apart from the unexpected sinking of the dredge on \$100.00 metric tons are previously advised to shareholders, prospects for the current year are for very moderate production from the reatment. However, the salvaging of the dredge, repairs and rehabilitation, will take several months to complete—Consectionally it is not possible to make any comment on the company's prospects until accurate information is available and a detailed review and assessment made of all aspects of the present situation.

L. D. Hellings, OBE, FIMM, Chapter 1.

J. D. Hellings, OBE, FIMM. Chairman

#### **MANAGEMENT COURSES**

Reg. Office: 54 Lombard Street, EC3P 3AH. Reg. No's 48839, 920880 and 1026167.



University of Birmingham

THE LUCAS INSTITUTE FOR ENGINEERING PRODUCTION Residential Executive Short Course Centre

STATISTICAL QUALITY CONTROL March 23rd - 27th 1981 This course is one in an integrated series of courses and will present the theory and application of acceptance sampling plans and control charts with tutorials, designed for members who wish to apply these tchniques in their own companies.

FINANCE FOR ENGINEERING MANAGERS

April 6th - 10th 1981 June 29th - July 3rd 1981

The need to improve financial management and control within the engineering industry has led to the development of this course. It is designed for both potential and experienced managers as well as technical specialists. The course is highly participative and tutorial support and guidance is given throughout the programme. The aims are to improve managers' effectiveness in evaluating projects, quantitying forecasts and

Applications and enquiries to:

The Booking Secretary, The Lucas Institute for Engineering Production.

Edgbaston Park Road, Birmingham BI5 2RA.

Telephone: 021-455 0921



## Seagram digs into its \$3.7bn war chest

SEAGRAM COMPANY, the it has bid. world's largest drings company. yesterday answered part one of stock to reach \$45 by the middle a \$3.7bn question when it of this year on the fundamentals offered to pay \$2bn for the St. foe Minerals Corporation,

Pacific oil and gas subsidiary to Sun Oil—has been the best publicised stash of ready money in the U.S. for a long time.

ate last year by adding a \$3bn Eurodollar to the proceeds of its nergy assets sale. Part of the Euroloan was merely a liquidity

Seagram was obviously thinking big and the first conclusion to be reached form yesterday's bid is that Seagram has plenty

judgement was that it will not perties in return for \$680m cash

The move can hardly be des- Bear Stearns and who is one of

alone," said Mr. Ronald Shorr who follows the company for pribed as a surprise in that several Wall Street analysts to Seagram's \$3.7bn bash hoard— have been strongly recommendamassed in the wake of its sale ing St. Joe stock for some for \$2.3bn last April of its Texas months. "The offer is good, but Pacific oil and gas subsidiary it's not good enough." If it comes to a bidding war

or the search for a "white knight," as St. Joe's initial hos-Seagram caused amazement tile reaction to the bid suggests ate last year by adding a \$350 it may well have to, Seagram has the cash to bid hard and higher.

But Wall Street's guess is that oridge designed to give Seagram it will have some tough and access to all the income from cash rich competitors to do access to all the income from cash rich competitors to do the Texas Pacific deal ahead of battle with. The most obvious the deferred payment notes potential rival bidder is Royal which constituted part of that Dutch/Shell, which last year entered into a major joint venture with St, Joe in the coal

Known as Scallop, this fifty-fifty deal involved St. Joe putting up its substantial but in-Wall Street's immediate adequately profitable coal pro-

get St. Joe for the \$45 per share from Shell. St. Joe also was swoop. allowed to pull \$220m of its own funds from the coal business, a deal which immediately offers a "I would have expected the 50 cents a share boost to St. Joe's earnings.

The Shell-St. Joe friendship, based as it is on Shell's ambitious expansion in North America, looks a well-founded one and it is hard to imagine Shell happily accepting that another major multinational Seagram, is now master of the camp, although it is not incon-

There are also other possibilities, Newmont Mining of the U.S. already owns 7 per cent of St. Joe and could well be interested in more.

A darker horse, but a credible one in some minds, is Mr. Harry Oppenheimer's Anglo-American /De Beers group, the biggest gold and diamond mining operation in the world, Mr. Oppenheimer is making no secret of his North American procliviries and has recently transferred more than \$800m assets to an investment company based in Bermuda in preparation for a possible U.S. or Canadian

At this point in the hypothesis, however, some personal Missouri. For decades, its only wires start to get crossed as major diversification was into

one of the board members of Oppenheimer's Bermuda boom and bust cycles. of Lazard Freres, Lazard is also subsidiaries is Mr. Felix Rohatyn

Oil of California, which is now wondering what to do about its recently rebuffed bid, worth up to \$4.3bm, for AMAX, the min-ing and metals company which It is the presence of the curing and metals company which has quite a lot in common with One thing which is obvious is

that St. Joe is suddenly very hot

properly indeed. Why should

this company has, within the last decade, even within the last trading at just over \$30 a share, two years, been transformed.
Ten years ago it was still range last spring.
Called St. Joe Lead and the Analysts appear unanimous deadening sound of its name, its association with a thoroughly unspectacular product and an uncommunicative management scarcely made it the subject of

Broker claims

insider trading

on AMAX bid

By Paul Betts in New York

O'CONNOR and Associates, a

Chicago brokerage firm, filed

a suit in a New York court

last night charging that inside

information about Standard

Oil of California's takevore

customers of two leading New

The Chicago firm claimed in its suit for damages that

customers of Dean Witter

Reynolds and A. G. Becker,

the two New York brokerage

houses, had been "tipped" by insiders at Standard Oil or

AMAX or both "with the attempt to defraud" before

York brokerage houses.

of up to \$4.3bn for

was leaked

lead mine it owns in St. Joseph, zinc, which suffered similar

But under the guidance of its Seagram's investment banker Duncan, who joined St. Joe and go-between for the St. Joe from the W. R. Grace chemical company in 1971, St. Joe has Another wild card is Standard grabbed in all directions in the world of natural resources. It is now number ten in coal in the 2.17m ounces to almost 3.4m

rently out of favour oil and gas sector, plus the weaker lead and precious metals prices, which have recently depressed St. Joe's share price and made the this be so? The reason is that Seagram offer look superficially generous on Monday St. Joe was

that St. Joe's prospects are incomparably more promising than its past. It has major projects coming on stream this year over-dinner conversation in Wall Street. St. Joe got its

name, incidentally, from the than double output and also only 40 per cent contribution Scallop will have its first full last year and will be much Last year St. Joe earned \$117.1m or \$2.60 a share on has been achieved without any sales of \$1.3bn, and analysts

Joe's newer activities. Gold pro- of 1979. duction is forecast to grow from under 50.000 ounces a year in 1980 to 200,000 ounces in 1984. Silver output will grow from at the door. ounces. Oil production is planned to double to 10m

in the next ten years and, even now be racing back in to that more important, as world demand for U.S. coal increases, more diversified plane. elusive profitability should be-

a prolific source of cash in times Joe is regarded as the lowestcost major producer in the U.S. far east energy interests. at least \$3.75 a share. But the diversification means

in the Buchan field of the North that lead, which contributed goodbye to the energy and Sea, a gold mining project in \$140m of the \$195m operating natural resources business had Chile comes on stream to more profits in 1979, was down to made a big miscalculation.

lower again this year, because lead is in a down-cycle. This expect the 1981 earnings to be Net income last year of \$117.1m The key is the growth in St. was up sharply from the \$77.6m

> So, it is not surprising that the wolves and possibly the "white knights" are gathering

For Seagram, the deal at the price would look good indeed. although it remains surprising with its 1979 total. to form atthough it remains surprising in one respect that having shed most of its energy interests, most of its energy interests, Coal production will double the Canadian company should very same sector, albeit on a It also has to be remembered

that although Seagram sold Meanwhile the old faithful Texas Pacific to Sun, it has business of lead continues to be retained a stake in future profitability in the company under of high commodity prices as St. the terms of the deal, as well as retaining its Canadian and

Clearly those who had calculated that Seagram had kissed

ST. JOE MINERALS had a net income of \$117.1m in 1980 on sales of \$1.3bn. Its barrels in 1980, leaving reserves of 27.4m barrels. Gas production was 20bn cubic feet, leaving reserves of 314bn cubic feet.

The group's major interests are in base metals with output of more than 200,000 tons of lead per year, 180,000 tons of zinc, 40,000 troy ounces of gold and 2.2m troy ounces of silver. It also has undeveloped oil exploration areas in excess of 1.4m

TEXAS PACIFIC, which Seagram sold to Sun Company last year for \$2.3bn, produced a net income of \$68m on sales

Oil production was 11.4m barrels last year, leaving oil reserves of 123m barrels. Gas production was 39.2bn cubic feet leaving gas reserves of 315bn cubic feet. The group also had an unexplored acreage of

#### INTERNATIONAL CAPITAL MARKETS

## £15m issue by Finnish group

BY FRANCIS GHILES

Export Credit was launched yesterday by S. G. Warburg. The borrower is paying a 13% per cent coupon on the bonds which carry a sovereign guaranty. If the one point discount from the final price of par which is available to many institutional investors is taken into account, the bonds will yield

14.04 per cent. Seasoned sterling Eurobond issues posted gains of around } point yesterday on the back of a strong gilt-edged market but tinues at a steadealers said that such rises public issues over-estimated the amount of being arranged.

Change on Change

EEC 11 95 (May) .... 75
EEC 11 95 (May) .... 75
EEC 11 95 (August) ... 70
EEC 11 95 (August) ... 70
EIB 134 90 ... 100
Eksportfinans 9½ 87 ... 75
Eldorado 134 88 ... 125
Elac. de France 10 88 ... 125
Elac. de France 10 88 ... 125
Export Dv. Cpn. 124 87 100
Export Dv. Cpn. 124 87 100
Export Dv. Cpn. 124 87 100
Export Dv. Cpn. 125 50
Finland. Rep. 01 9½ 86 100
Ford Credit 0/S 145 83 150
Ford Credit 0/S 145 83 150
Ford Cr. 0/S Fin. 122 88 100
GMAC 0/S Fin. 127 85 100

Newfoundland 137 90 ... 50
Nova Scoria 104 90 ... 50
Nova Sco

 Ièd. 8k. Fintand 8½ 20
 50

 Japan Air Lines 8½ 87
 700

 Japan Dev. Benk 7½ 87
 100

 Kobs. City of 8 90
 100

 Midland Int. Fin. 8½ 90
 180

 Norway 7½ 85
 250

 Nuclebras 9½ 83
 100

 OKS 8½ 92
 150

 Oslo, City of 8½ 90
 30

 Vanezuela, R. of 9½ 90
 30

 World Bank 8 90
 700

 World Bank 10 35
 150

 World Bank 10 30
 200

 Avarage price charges
 100

WISS FRANC

£15M ISSUE for Finnish Export Credit, which was 100m 12-year issue which carries arranged last week, has gained a half point to 981-991 during price of par through UBS. The

the last two days. day despite a fall in interest rates. The three-month Eurodollar rate dropped 14 per cent issue carrying a coupon of 71 to 15% per cent.

per cent and a price of par to 15% per cent.

Deutsche Mark foreign bonds gained a points while Swiss franc foreign bonds gained about # points. New issue activity in the latter sector continues at a steady level. Three public issues are currently

buying interest. The 131 per Philips Morris International Republic of Austria, is cent bond to 1986 for Swedish Capital NV is arranging a SwFr arranged by Credit Suisse.

FT INTERNATIONAL BOND SERVICE

exists. For further details of these or other bonds see the complete list of Eurobond prices which will be published next on Tuesday, April 14.

Closing prices on March 11

The list shows the 200 latest international bond issues for which an adequate-secondary market

M. Bk. Dnmk. 9 91 EUA 25 SQFTE 8½-89 EUA ...... 40 U. Bk. Nrwy. 9½ 90 EUA 18 Algemens Bk. 10½ 86 Fl 75 Heinsken NV 10 87 Fl... 100 Nat. Nedrindn. 10 88 Fl 75 Pierson 10½ 86 Fl 75 Pierson 10½ 86 Fl 75 Pierson 10½ 86 Fl 75 Carb rages 13½ 87 FFr... 150 Charb rages 13½ 85 FFr 400 CECA 14½ 86 FFr ..... 150

a coupon of 61 per cent and a bonds are guaranteed by the Seasoned fixed interest dollar parent company. Cofiroute, a bonds were unchanged on the company which manages motorways in south western France, is arranging a SwFr 50m 12-year

through Paribas Suisse. Oesterreichische Drakraftwerke, the hydroelectric company of the province of Carinthia, is raising SwFr 100m for ten years with a coupon expected to be 6f per cent. The issue, being arranged. which carries a guarantee of the Philips Morris International Republic of Austria, is being

97', 99', +0', +0', 10.92 96 96', +0', +1', 10.82 94', 95', +0', +0', 11.06 98', 99', +0', +0', 10.29 98', 98', +0', +1 10.55 93', 94', +0', +1 14.47 97', 98', -0', +0', 14.47

381, 391, 101, 111, 14.42 301, 911, 0 +01, 14.23 301, 911, 0 +01, 14.23 351, 961, +01, +11, 15.53 38 99 +01, +01, 14.43

88 99 +0<sup>1</sup><sub>3</sub> +0<sup>1</sup><sub>4</sub> 14.43
96<sup>1</sup><sub>2</sub> 97<sup>2</sup><sub>3</sub> -0<sup>1</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.99
95<sup>2</sup><sub>3</sub> 96<sup>2</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> +1<sup>1</sup><sub>4</sub> 15.19
93<sup>2</sup><sub>1</sub> 94<sup>2</sup><sub>3</sub> +0<sup>1</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.13
96<sup>2</sup><sub>3</sub> 98<sup>2</sup><sub>3</sub> +0<sup>1</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.13
96<sup>2</sup><sub>4</sub> 98<sup>2</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.20
98<sup>2</sup><sub>1</sub> 100<sup>2</sup><sub>4</sub> +0<sup>2</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.46
98 93<sup>2</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.46
98 93<sup>2</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.3
98<sup>2</sup><sub>4</sub> 94<sup>2</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.8
98<sup>2</sup><sub>4</sub> 94<sup>2</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.07
102<sup>2</sup><sub>4</sub> 103<sup>2</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> +0<sup>1</sup><sub>4</sub> 14.12
183<sup>2</sup><sub>5</sub> 90 0 0 10.01
182<sup>2</sup><sub>4</sub> 83 0 0 11.06
192 92<sup>2</sup><sub>2</sub> 0 9 9.83
87<sup>2</sup><sub>4</sub> 83<sup>2</sup><sub>2</sub> 0 -0<sup>1</sup><sub>4</sub> 11.55

the takeover bid was announced last Friday. O'Connor and Associates charged the two brokerage houses of aiding and abetting the "tipped" customers to purchase call options for AMAX. It said this caused losses for the firm and other brokers who were selling AMAX call options without inside knowledge of the takeover proposal.

O'Conner and Associates named Standard Oil (Socal), AMAX and the two New York brokerage houses as defend-ants in the suit. Dean Witter said last night it was looking knowledge of any inside information."

Socal's takeover bid, involving a package of cash and shares which at current prices is valued at \$3.89bn but which could have a maximum cost of \$4.3bn depending on price fluctuations in Socal shares, was publicly disclosed by AMAX, the leading U.S. mining and minerals concern, after a board meeting late last week. The deal, which the AMAX directors are not supporting, is the biggest corporate bid in history.

Although AMAX directors have rejected the Socal offer, the Californian-based company, the fourth largest U.S. oil group, so far has not indicated whether it intends to pursue its takeover attempt or drop the offer as it did in 1978 when AMAX rejected an earlier takeover attempt by Socal.

#### Caltex Oil bids **A\$100m** for Sleigh interests

By Our Sydney Correspondent

CALTEX OIL (Australia) Pty., jointly owned by Stan-dard Oil of California and Texaco, has agreed to pay about A\$100m (U.S.\$117m) for H. C. Sleigh's Golden Fleece petrol retailing opera-

Agreement on the terms of the takeover was reachel late yesterday by the two companies after discussions which hegan early last month and which were revealed publicly after speculation about the future of the petrol chain. The sale price will be based on its audited consolidated net worth at April 30 this year and it is estimated that the value at that date will be around A\$75m. A substantial part of the company's assets are represented by land and buildings which were revalued in April last

But the overall consideration will be lifted by the re-payment of inter-company loans between H. C. Sleigh and subsidiaries involved in the sale that are outstanding at April 30.

Repayment of the loans and interest on May 3 next year will total A\$26m if they are in line with outstandings at the end of last December.

Payment by Caltex Oil effectively will be spread over three instalments with two roughly equal parts of the major sale price in May and November this year and the loan repayment in May

#### **Woolworth profits decline** despite sales advance

BY OUR FINANCIAL STAFF

F. W. WOOLWORTH Company, the U.S. retailer, has posted an increase in final quarter net profits from \$105m to \$109m, largely as a result of tax windfalls. Per share earnings were \$3.64 against \$3.56. The quarter includes a \$20m,

or 67 cents a share, gain from a cash refund of prior years' advance corporation taxes and a gain from deferred taxes on stock relief in the UK. In the corresponding quarter of 1979there was a \$15m gain.

Final quarter consolidated sales were ahead from \$2,15bn to \$2.23bn for an annual total of \$7.22bn against \$6.78bn, but profits for the 12 months were down at \$161m from the \$180m achieved in 1979-80. Per share profits were \$5.30 against \$6.02. The results include the equity accounted share of earnings from its non-consolidated 52.7 per cent owned UK subsidiary which yesterday reported pretax profits down from £57.25m to £39.22m (\$86m).

## **Quarterly boost at Heinz**

BY OUR FINANCIAL STAFF

H. J. HEINZ the food group, has reported a 52 per cent gain in net earnings from \$21.99m to \$33.49m for its third quarter to January 28. However, after stripping out foreign exchange effects, the improvement is from \$28.93m to \$29.23m.

Sales for the latest quarter Sales advan were ahead by 17.7 per cent to \$2.56bn.

\$827.9m and earnings per share were \$1.42 against 94 cents.

For the nine months the company showed an increase in net profits of 8.6 per cent to \$112.44m, with earnings per share at \$4.84 against \$4.52. Sales advanced by 23.6 per cent

#### British Columbia in bid for MacMillan Bloedel

BY ROBERT GIBBENS IN MONTREAL

BRITISH COLUMBIA Resources Investment Corporation, coneffective control U.S.\$238m).

BCRIC is bidding C\$46 per share for 6.2m shares of It took over the coal interests MacMillan, which would bring of the former Kaiser Resources has been trading around C\$40 per share.

the U.S., Europe and the Far controversial bidding battle. major packaging interests.

The group earned C\$113.2m or C\$5.03 a share last year aaginst C\$154.9m, of C\$7 03 a share, in 1979, on revenues of C\$2,4bn against C\$2.2bn.

BCRIC was set up three years ago by the provincial Governtrolled by the British Columbia ment with the stated intention provincial Government, is seek- of acquiring control of British Columbia's resource industries. MacMillan Bloedel, Canada's Shares in BCRIC were given largest forest products com- away to the public and subpany, in a bid valued at C\$285m scribed for by the Government. In all, BCRIC started life with cash of about C\$500m

It took over the coal interests its total holding up to 49 per for C\$655m, put together a cent from about 20 per cent C\$500m lumber and pulp group, MacMillan stock in the market and recently increased its holding in MacMillan to 20 per cent from the 13 per cent stake it MacMillan is Canada's largest acquired two years ago from lumber producer, exporting to the Canadian Pacific group in a East. It owns pulp and paper - BCRIC stock price has sagged

mills in several regions of for several months, despite Canada as well as in the takeover activity, ambitious southern U.S., and is engaged plans for participating in oil in a C\$2bn programme to and gas development in Canada modernise and expand these and the U.S. and a major activities by 1985. It also has chemicals project. Assets are at present around C\$1.6bn, In 1980 the company earned C\$47.9m, or 50 cents a share, against C\$40.8m, or 69 cents on fewer shares in 1979. Revenues were C\$520m, against C\$358m.

DECEMBER 1980

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se Rate

| Int.-Amer. Dev. 7 90 ... 30 |
| Japan Day, Bank 5½ 90 100 |
| Jutland Tele. 5½ 90 ... 50 |
| Mt. Blanc Tunnel 5½ 90 ... 80 |
| Neweg 5½ 90 ... 80 |
| Norges Komm. 4½ 51 ... 100 |
| OKS 6 90 ... 90 ... 100 |
| Oslo, City of 5½ 90 ... 100 |
| Philips Lamps 5½ 92 ... 100 |
| Philips Lamps 5½ 92 ... 100 |
| Philips Lamps 5½ 93 ... 100 |
| Sekisul Pre. Hms. 6 90 80 |
| Trade Dev. Fin. 6½ 90 ... 80 |
| Vocat-Alpine 5½ 90 ... 80 |
| Vocat-Alpine 5½ 90 ... 80 |
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| Average price changes... On

FLOATING RATE

NOTES

Allied Irish Bank 5½ 87 0½ 99½ 99½ 2/7 16½ 16½ 18

Bank of Montreal 5½ 80 0½ 99½ 100% 18½ 19½ 11

Bank of Tokyo 5½ 88 ... 60% 99½ 99½ 25/4 19.31 11

Bank of Tokyo 5½ 88 ... 60% 99½ 98½ 25/5 18½ 11

BNP 5½ 88 ... 60% 99½ 98½ 98½ 25/5 17½ 11

BNP 5½ 88 ... 60% 99½ 99½ 100% 22/4 18.59 14

CNT 5½ 86 ... 60% 99½ 99½ 16/4 13½ 11

Christiania Bk. 5½ 91 ... 60% 99 99½ 31/3 16.81 14

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Nacional Fin. 6½ 85... 60% 99¾ 99½ 25/7 17% 17

Nat. West. 5½ 92 ... 60% 99¾ 99½ 15/6 19% 22

Nippon Credit 5½ 87 ... 60% 99¾ 99½ 15/6 19% 22

Standard Chart. 5½ 90 ... 60% 99¾ 99½ 15/6 19% 22

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Standard Chart. 5½ 90 ... 60% 99¾ 99½ 15/6 19% 22

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\*No information available—previous day's price.
† Only one market maker supplied a price.
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Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte = Date
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six-month offered rate (‡ three-month; § above mean
rate) for U.S., dollars. C.epn = The current coupon.
C.yid = The current yield.
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First date for conversion into shares. Cnv. price =
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January 30, 1981

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## PAN-HOLDING

Société Anonyme Luxembourg

At its meeting of March 3, 1981, the Board of Directors finalised the accounts for the financial year

The accounts show a net profit of US\$16,697,354.41, including a net gain realised on sales of securities of US\$12,947,261.35. The Board decided to propose to the Ordinary General Meeting, to be held on June 1, 1981, the distribution, per share of US\$50 par value outstanding on June 30, 1981, of:

—a dividend of US\$3 for the year 1980, i.e. an increase of 15.4% on the dividend of US\$2.60 paid for the year 1979;

an extraordinary dividend of US\$1.50 for the 50th anniversary of the Company incepted on

The global dividend of US\$4.50 is free of withholding tax in Luxembourg and would be payable as from

The Company's unconsolidated net asset value as of December 31, 1980, amounted to US\$144,999,519.44, equivalent to US\$207.14 per share, as compared to US\$158.95 as of December 31, 1979, i.e. an increase of 30.3% or of 32% if the dividend of US\$2.60 is taken into account. The Company's consolidated net asset value as of December 31, 1980, amounted to US\$211.07 per share.

As of February 28, 1981, the unconsolidated net asset value amounted to US\$192.80 and the consolidated net asset value amounted to US\$195.84 per share.



#### 'Co-op Bank announces a change in base rate'

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The 10-year issue by tender was struck at a minimum price

Dealers report that 30 per cent of the offer was taken up by foreign investors, and that more than 80 per cent of application bids were accepted at prices above the minimum selling price.

previous largest state borrow-ing was a F1 1.4bn issue last summer with a 10.5 per cent

The Government expects that earlier loans, will amount to S per cent of national income this year. The deficit will rise to F1 24bn (\$10.3bn) from F1 23bn in 1980.

Ministry, recently warned that the growing call of the Government on the capital market increased their chances of a flop and required the state to set attractive conditions. 1980 a record number of nine

U.S. and West Germany have caused the Dutch authorities to follow suit. The Dutch central bank raised bank rate by 1 per cent to 9 per cent on March 3.

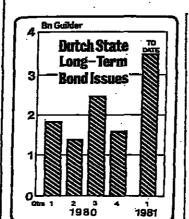
The state funding success has proved fortuitous for Algemene Bank Nederland, which is offering 20-year bonds on a similar per cent coupon to raise 100m. Priced at 99, the bank issue is already fully placed five days before the opening of subscriptions on March 17.

## Braun slides

By Our Financial Staff

the U.S., has slipped into the red for the year ended September 1980, losing DM 2.4m (\$1.14m), compared with a DM 14.2m profit in the preceeding year.

INTL: COMPANIES & FINANCE



#### **Dutch bond** issue pulls in Fl 2.5bn

By Charles Batchelor in

HE Dutch Government has raised a record F1 2.5bn (\$1.08bn) through the Amsterdam bond market, topping the previous peak for a debt issue by F1 1.1bn.

of 101.2 as investors swamped issuing banks with buying orders for the loan's 12 per cent coupon.

The huge Government financing deficit has prompted the Finance Ministry to set attrac-

сопрод.

Mr. Henk Bevers, capital mar-ket agent for the Finance state loans were issued.

Rising rates of interest in the

## into the red

BRAUN, the West German subsidiary of Gillette of the The setback was largely, be-

cause of the expense of phasing out of photographic operations. By 1983 Braun will have transferred its entire photographic side to Robert Bosch.

From now on Braun will "concentrate" on its bread-and-butter products like haircare products, household appliances and razors. Sales this year are expected to rise to around DM 1bn from the DM 890m of

## Olivetti takes control of Swiss typewriter group

Under the deal, announced yesterday, Olivetti will partici. Swiss pate in two capital increases by Schweiz. Hermes, worth respectively SwFr 6m (\$3.13m) and SwFr 10m (\$5.2m). After these transactions, the Italian com-pany will own just under 50 per cent of Hermes stock but more than 50 per cent of the voting

The agreement, which both SwFr 2.5m after tax, concerns see as important for According to Sig. Carlo de the future of the European information processing indus-try, provides for co-operation in research and manufacturing, especially in electronic typewriters and office automation.

OLIVETTI, the leading Italian The marketing structure of office equipment and electronics both companies will remain concern, is to take majority independent, except in Switzercontrol of Hermes Precisa International, the Swiss typewriter will peol their resources manufacturer. Hermes of Olivetti's present Swiss subsidiary, Olivetti

> This transfer will also be used to cover Olivetti's purchase of Hermes shares, thus avoiding the need for fresh capital outlays by Olivetti. Hermes, which has three manufacturing plants—two in Switzerland and one in Brazil—had sales of SwFr 275m 1980, and made a profit of

Benedetti, Olivetti's chief executive, the deal would enable both concerns to face an increasingly difficult market, as a result of stronger U.S. and Japanese competition.

Olivetti, he said; would be volumes, especially in the free of electronic typewriters and peripherals for business conputers. Products currently being purchased by Heimi from other manufacturers would be substituted by Olivets

equipment. Yesterday's agreement follows the acquisition by the Italian company of stakes in other information processing companies, among them Downs (automatic teller systems) and Data Terminal Systems (electronic cash registers and point of sale terminals).

Last year Olivetti, in which the Saint Gobain group of France has a large shareholding boosted earnings to more 25m L100bn (\$98m), an almost five-fold increase on 1979

#### Swedish steel maker lifts earnings and turnover

SANDVIK, cemented carbide and steel group, reports a 1980 pre-tax profit of SKr 746m (\$162m), up from SKr 603m in the previous year. Stock gains accounted for all but SKr 8m of the The board recommends a

dividend of SKr 9 per share, against SKr 8. Earnings per share after estimated tax rose from SKr 31 to SKr 37. Sales climbed by 23 per cent to SKr 8.15bn (\$1.77bn), 10 per

its financing deficit including cent of the rise coming from amounts needed to redeem price increases, 3 per cent from volume increases and 9 per cent from company acquisitions. Trading profit increased from SKr 1.11bn to SKr 1.3bn. Net

financial · expenses increased from SKr 226m to SKr 299m but this was largely outweighed by translation differences, which moved from a deficit of SKr 37m to a surplus of SKr 27m

Because of a cyclical downturn in several markets import- from SKr 8.50. ant to Sandvik, the group expects sales to rise by only 10 per cent in 1981. "The 10 per cent in 1981. "The possibility of some diminution in trading profit cannot be dis-counted," it says.

Cemented carbide which in the past has accounted for roughly half of sales, increased its pre-tax profit from SKr 545m in 1979 to SKr 571m last year, but the big jump in earnings came from the steel division, which increased earnings from SKr 26m to SKr 156m. Saws and tools yielded a minor increase in profits, while the conveyor division's earnings fell by SKr 15m.

Price rises on inventories augmented earnings by about SKr 135m, with the bulk of the increase pertaining to steel products. Group investments rose from SKr 533m in 1979 to

 Holmens Bruk, the Swedish forest products group which is Europe's biggest newsprint manufacturer, lifted pre-tax earnings from SKr 111m in 1979 to SKr 126m (\$27m) last year, but the entire improvement was the result of stock gains. Divi-dend is SKr 10 per share, up

Sales rose 10 per cent to SKr 2.19bn, with 70 per cent going for export against 71 per cent in 1979. Paper production fell from 824,000 tonnes to

## **Moore Corporation is set** for peak results this year

SALES OF business forms, for acquisitions, particularly in the U.S. in the computer service accounting for 90 per cent of total revenues, have continued buoyant and should lead to another record year for Moore Corporation of Toronto in 1981. This would be despite software problems with the company's entry into the market for computer systems for small

Moore, the world's largest business forms maker with major opjerations in the U.S. and in Europe, earned and in Europe, earned US\$110.7m or \$3.95 a share in

area and also in businesses similar to its highly successful computer graphics division. • Canadian Pacific Ltd., holding company for the CP group of transportation, resource and industrial products businesses, has revised its 1980 earnings figures up slightly. Net income was C\$583.1m (US\$487.1m) or C\$8.11 a share, against C\$508m or C\$7.06 a share in 1979 and and in Europe, earned figures announced earlier for US\$110.7m or \$3.95 a share in 1980 of C\$582m or C\$8.10 a 1980 on sales of \$1.8bn, gains of 6.3 per cent and 17 per cent respectively. The group continues to look The group continues to look

## Euro Shoe Unie in U.S. deal

BY PAUL BETTS'IN NEW YORK

A BELGIAN partnership led by worth \$2.6m. the Belgian shoe manufacturers, Euro Shoe Unie, has acquired a 15 per cent stake in Craddock-Terry, a Virginia-based shoe manufacturer with annual sales of more than \$90m. The U.S. company said that the Belgians had bought 230,000 of its shares,

In a filing with the Securities and Exchange Commission, the Belgian partnership said it may propose one or more candidates to join the Craddock-Terry board and may at some point consider being a majority of the company's stock. Luxembourg banks show lower profits

PRE-TAX PROFITS of banks operating in Luxembourg last year were less depressed than expected, falling only about 5 per cent on their 1979 level, according to Dr. Pierre Jaans, the Grand Duchy's banking

commissioner. He said that at one stage he had feared that profits would fall by as much as a quarter performance of the securities markets and low margins available on syndicated credits. As it turned out, the banks were able to offset this with higher able to ouser types of earnings on other types of services to private ellents, and blending in Deutsch<del>e Marks into</del> West Germany, which remained remarkably buoyant.

Even the slight fall recorded in absolute terms understates the true position of the banks, much of whose income is denominated in D-Marks. The German currency depreciated against the Luxembourg franc last year, and at constant exchange rates profits would have been about stable to slightly higher, Dr. Jaans said if Figures released yesterday higher banking commission show that total assets of banking the banking commission shows that total assets of banking the banking commission shows that total assets of banking total assets of total

that total assets of banks in Luxembourg grew 20.4 per cent last year to Luxer 3,91755 (\$113bn). This was a slower rate of growth than in 1979, when assets rose 29.7 per cent However, business spurted in January this year when the banks' total assets jumped to LuxFr 4,134bn. This is thought to have been the result of a surge in demand for credit in D-Marks and Swiss francs, both of which were depreciating rapidly at the

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#### **Bunker Ramo** in bid talks

By Our Financial Staff BUNKER RAMO, the electrical and electronic com-ponents and information sys-tems group, is holding prelimnary talks on its acquisition by

an unnamed company.

Bunker, in which Fairchild Industries holds 22 per cent, said no agreements or undertakings had been reached and that thre was no assurance that it would include an acquisition agreement.

The company has about 6.4m shares outstanding giving it a market capitalisation of around \$270m. Last year it achieved profits of \$4.23 a share on sales \$467.6m.



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#### **Margins** squeezed at Mitsubishi Australia

By Our Sydney Correspondent

UNPRECEDENTED PRICE competition and subsequent tight margins caused the profit of Mitsubishi Motors Australia to fall 43 per cent from A\$12.3m to A\$7.01m (U.S.\$8.15m) last year.

ut the group, formerly Chrysler Australia, which was taken over by the Japanese company during 1980 is likely to be among the best profit performers of the local car-makers for the year.

Unlike its major competitors in the Australian car market, Ford and General Motors-Holden, Mitsubishi significantly increased its market penetration throughout 1980. Motors-Holden will announce a big loss for the year when it reports soon and Ford is forecast only to break even.

Some of the pressure on Mitsubishi's margins in 1980 can be gauged by the fact that the profit fall was incurred despite a healthy 16.34 per cent increase in sales from A\$368.23m to A\$428.38m (U.S.\$497m). A substantial cut in interest charges from A\$5.1m to A\$2.75m also helped profits,

The group will pay unchanged dividend of cents a share on its "A times by earnings a share of 11.8 cents, well down on the previous year's 20.69 cents.

#### Victory for Bond in Waltons battle

By Our Sydney Correspondent

THE BATTLE for control of the Sydney-based retailing group. Waltons, has ended in victory for Bond Corporation. The other contestant, and original market bidder, the family Liberman

Melbourne has given Bond Corporation an undertaking to sell their 19.7 per cent holding in Waltons to them at A\$1.10 per share after the Libermans decided to withdraw their offer of A\$1 a share, made through a wholly-owned subsidiary JGL Investments.

Before the offer by the Liberman family, Bond Cor-poration had raised its stake to 41.64 per cent and intends to stand in the market at A\$1.10 until March 26. Bond intends to limit ownership of Waltons to 49 per cent by placing shares above this level. The stores group is to management and investment cents. be known as Waltons Bond while its insurance activities will still trade under the

name of Waltons.
The retailing group is expected to acquire Bond's property operations to add to its own activities. Waltons, who are expected to announce profits for the half year to January 31 this week, said yesterday: "These figures will reflect an improvement on the previous

corresponding period. two Bond directors are joining the Waltons Board and Waltons' chairman, Mr. John Walton, is to become a member of the Bond Board.

**BORROWER PROFILE** 

INDONESIA

## Oil giant now under control

BY RICHARD COWPER IN JAKARTA

a disastrous image as one of the Third World's riskiest a reputation it attained in 1975 when the State-owned Oil Сотарапу Pertamina found itself unable to repay debts of around U.S.\$10bn.

Indonesia's Finance Ministry brought under control the giant which under the leadership of General Ibnu Sutowo in the early 1970s was virtually a law to itself. Bailed out by the Indonesian Government and a number of friendly foreign banks on the back of cuts in the Indonesian economy. Pertamina has now reduced its debt to U.S.\$1.4bn Now, just five years after Pertamina's near collapse. Indonesia's external balance of payments is so healthy and its credit rating so high that foreign bankers are queueing up to lend—only this time they are standing outside the doors of an extremely conservative Bank of Indonesia, and not in the plush waiting rooms of

Indonesia has grown rich as the largest exporter of oil and natural gas east of the Gulf. The Government has watched the rising price of oil push official international reserves from US\$2.6bn at the end of 1978 to well over \$8bn. This

Pertamina.

months of imports. In addition, the Indonesian government has Indonesian commercial banks on the drawing boards suggests hold some \$4bn in net foreign a compelling reason for Indoassets making total reserve holdings equivalent to about nesia to turn to the market for further large-scale commercial loans over the next two or three years. However a substantial

one year's imports. By the end of the 1980-81

Companies INTERNATIONAL COMPANIES and FINANCE and Markets

Indonesia has recovered from is enough to cover around eight and infrastructure projects that pared with holding reserves in disastrous image as one of months of imports. In addition, the Indonesian government has excess of a year's imports given the fact that reserves held in liquid form earn at most the going Libor rate.

At the end of 1980, total Indonesian disbursed and outstanding foreign debt was an esti-

#### INDONESIAN EXTERNAL DEBT

(U.S.Sbn)										
Disbursed and outstanding debt Debt service Commercial & concessional borrowing Official reserves Debt service as % of net exports	1973 5.3 0.21 1.5 0.8 8.3	1974 6.3 0.29 2.3 1.5 6.3	1975 8.0 0.52 3.3 0.6 10.3	1976 10,0 0,75 3.1 1.5	1977 11.6 1.3 1.7 2.5 15.9	1978 13.1 1.5 2.7 2.6 18.4	1979 13.6 1.6 3.1 4.1 12.0	1980 14.5 1.7 3.3 8.0 10.0		
	8.3	6.3	10.3	11.4						

fiscal year. Indonesia is likely to have a record current account balance of payments surplus of Despite the caution over prospects shown in the predictions of the World Bank in its confidential annual report on the Indonesian economy last year, the Government is unlikely to suffer from any serious financial constraints for the next three to four years. In these circumstances it is questionable whether

Indonesia should be looking at further commercial borrowing

A glance at the estimated \$22bn of petrochemical, power,

proportion of the financing for these projects will buy aid, foreign equity, or soft governmentseems little doubt that Indonesia could, if it wanted, easily finance its share from reserves. which according to a number of economists are likely to some to over \$25bn by 1984. One reason why the govern-

ment might turn to the market this year however lies in the possibility of Indonesia's deciding to reschedule or repay ahead of time an estimated \$800m of commercial debt carrying an interest rate of more than 1 per cent over Libor. This is attractive, com-

age maturity of 16 years it carried an average interest rate of 6 per cent. Indonesia's debt service represented a comfortable 10 per cent of net oil and non-oil merchandise exports, or 7 goods and services. In 1980, Indonesia's public external debt service was estimated at \$1.7bn, some 6 per cent up on the be-ginning of 1980. The health of Indonesia's position can be illustrated by the fact that, if the country were to earn 18 per cent interest on its total foreign exchange boldings of \$10bn. this would exactly cover its debt

## **Sage Holdings increases** payout as earnings rise

BY JIM JONES IN JOHANNESBURG

a disputed R154m (\$196m) takeover bid for the investment holding company, Unisec, increased pre-tax profit by 56.9 per cent to R9.11m in the year to December 1980. In 1979, pre-tax profit was

The board says that all divisions operated satisfactorily. In particular, the construction and land division accelerated its contribution to group profit during the second half of the year and the improvement is expected to be maintained in

Management is confident that high rate of profit growth will be achieved during 1981, with a sound earnings spread between the four main operating divisions. In 1980, investment and management services contributed 25.2 per cent of group acquisition in 1980. earnings; insurance and financial planning 25.1 per cent; con-

SAGE HOLDINGS, the South 22.5 per cent. At the end of the African investment company year, total group assets were which is currently involved in R186.5m against R136m at the end of 1979.

A total dividend of 20 cents share as been declared from earnings per share of 31.2 cents. In 1979 the dividend was 15 per cent and earnings 22.3 cents. At the close of trading on the Johannesburg Stock Exchange, Sage shares were changing hands at 220 cents.

SCOTTISH CABLES, the South African electric cable manufacturer, 58 per cent owned by BICC of the UK, lifted operating income by 81 per cent to R8.4m (\$10.7m) in 1980 on turnover up 27.1 per cent higher at R52.1m.

In 1979 Scottish Cables acquired BICC's South African Distribution operation and, according to the directors, the company consolidated upon the

A dividend of 23 cents. against 21.6 cents, has been destruction and land development clared from earnings per share 27.2 per cent; and property of 33.7 cents compared with 18

#### Scrip and rights issues by Overseas Union Bank

AFTER REPORTING a sharp same rate of dividend on the rise in earnings, Overseas Union Bank (OUB)—one of the big four banks in Singapore, has announced both scrip and rights issues. The rights issue of one new share for every five at S\$2 will raise some S\$57.5m (S\$28.75m) and will be made on OUB's existing issued capital of 143.73m shares of S\$1 par each. The scrip issue will also be on

the basis of one for every five The issue price is generous compared with the last transacted price of OUB shares of \$\$6.70 per share before the announcement. After the scrip and rights issues, the group's issued capital will be \$\$201.2m.

Group earnings after tax for the year ended December, 1980, rose by 50.1 per cent to \$\$32.7m. Post-tax profit at the parent bank itself was up by 50.9 per cent to S\$29.56m.

The directors bave decided to raise the first and final gross dividend by half a percentage point to 12.5 per cent and they are confident of maintaining the semi-synthetic penicillins.

enlarged capital in the current OUB is second of the big four banks to report excellent earn-

ings growth and also, the second to come out with a rights issue. The Development Bank of Singapore earlier this week announced a rights issue of S\$228.5m worth of unsecured convertible loan stock.

Glaxo, the UK based pharmaceutical group, is investing some S\$100m (U.S.\$48m) in a plant in Singapore to manufacture basic drugs for exports. The investment, made through its subsidiary, Glaxochem Private, will involve the construction of a new factory and the installation of machinery

Glaxo is the second major UK pharmaceutical group to establish a substantial manufacturing presence in Singapore. The first was Beecham, which

March, 1981

#### VONTOBEL EUROBOND **INDICES**

14.5.76=100%

PRICE INDEX	3.3.81	10.3.81	AVERAGE YIELD	3.3.81	10.3.81
DM Bonda		87.75	DM Bands	10.242	10.192
HFL Bonds & Notes	90.57	90.35	HFL Bonds & Notes	10.913	10 954
U.S. \$ Strt. Bonds	83.53	83.63	U.S. S Strt. Bands	13.064	13.046
Can, Dollar Bonds	87.82	87.66	Can. Dollar Bonds	12.815	12.844



Tokyo Pacific Holdings (Seaboard) N.V.

on January 1,1980: U.S.\$48.39 on March 9th, 1981: U.S. \$66.33

Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson NV. Herengracht 214, 1016 BS Amst

A growing international

The international consortium which provides a full range of services including short, medium and long term credits. Eurocurrency deposits and foreign exchange dealings, underwriting and distribution of securities.

presence

Associated Japanese Bank (International) Limitèd

1,100,000 Shares

AMAREK, INC.

**Common Stock** 

Donaldson, Lufkin & Jenrette

Bache Halsey Stuart Shields E. F. Hutton & Company Inc. The First Boston Corporation Kidder, Peabody & Co.

Blyth Eastman Paine Webber Lazard Frères & Co.

Dillon, Read & Co. Inc. Lehman Brothers Kuhn Loeb

Warburg Paribas Becker

Salomon Brothers

Merrill Lynch White Weld Capital Markets Group L. F. Rothschild, Unterberg, Towbin Smith Barney, Harris Upham & Co.

Dean Witter Reynolds Inc. Wertheim & Co., Inc.

Atlantic Capital

Basle Securities Corporation

Cazenove Incorporated

Bateman Eichler, Hill Richards

New Court Securities Corporation

**EuroPartners Securities Corporation** 

ABD Securities Corporation

Robert Fleming

Kleinwort, Benson

29-30 Cornhill, London EC3V 3QA Telephone: 01-623 5661 Telex: 883661

TENDERS MUST BE LODGED AT THE BANK OF ENGLAND, NEW ISSUES (X). not later than the business day immediately preceding the date of the WATLING STREET, LONDON, ECAM SAA NOT LATER THAN 18.00 AM. ON FRIDAY. 27TH MARCH 1981, OR AT ANY OF THE BRANCHES OF THE BANK OF ENGLAND, OR AT THE GLASGOW AGENCY OF THE BANK OF ENGLAND NOT LATER THAN 3.30 P.M. ON THURSDAY, 28TH MARCH 1981. ENVELOPES CON18 The first interest payment will be made on 18th September rate of £0.80 per £100 nominal of Stock. TAINING TENDERS SHOULD BE MARKED "INDEX-LINKED TREASURY TENDER".

ISSUED BY TENDER OF £1,000,000,000

## 2 per cent INDEX-LINKED TREASURY STOCK, 1996

PAYABLE AS FOLLOWS:

£35.00 per cent £30.00 per cent Deposit with tender On Friday, 1st May 1981 On Tuesday, 26th May 1981 Balance of purchase money INTEREST PAYABLE HALF-YEARLY ON 16th MARCH AND 16th SEPTEMBER

1. The Stock is an investment falling within Part II of the First Schedule to the Trustee Investments Act 1961. Application has been made to the Council of The Stock Exchange for the Stock to be admitted to the Official List. 2. THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorised to receive tenders for the above Stock.

The principal of and interest on the Stock will be a charge on the National bans Fund, with recourse to the Consolidated Fund of the United Kingdom.

The Stock will be registered at the Bank of England and will be transferable, intuitiples of one now penny, by instrument in writing in accordance with the tock Transfer Act 1963. Transfers will be free of stamp duty.

Stock Transfer Act 1963. Transfers will be free of stemp duty.

5. Ownership of the Stock will be confined to persons who are Eligible Holders, as defined below. The Bank of England will consider tenders for the Stock, in accordance with the procedures described below, only from persons by whom declarations have been made that they are Eligible Holders or are tendering for the Stock on behalf of an Eligible Holder. In addition, subject to the exceptions laid down in paragraph 9, a statutory declaration in the appropriate prescribed form covering the matters specified in that paragraph will be required on each occasion when, on surrender of a letter of allotment or presentation of an instrument of transfer for registeration, the opening of a new account in the stock register's involved. The Bank of England will decline to register any holding of the Stock until furnished with a statutory declaration in the appropriate prescribed form, where such a declaration is required in accordance with this prospectus. i. Any holding of the Stock must be redistered in the name of an Eligible lotder who must hold such Stock in his own right and not as nominee for any their person, save that (i) Stock may be held in the name of the nominee company of and for the account of any person specified in paragraph 8(1)(d) and (ii) a person specified in paragraph 8(1)(e) may hold Stock as nominee for a Eligible Holder specified in paragraphs 8(1)(e) or (b).

7. On the first occasion on which Stock acquired by or on bohalf of an Eligible Holder is to be registered directly in the name of a person specified in paragraph 8(1)(a), that Eligible Holder will be required, prior to such registration taking effect, to furnish a statutory duclaration to the bank of England covering the metters specified in paragraph 3 unless such a declaration has previously been furnished by that Eligible Holder in respect of Stock previously acquired and still Standing in his own name in the register.

8. For the purposes of this prospectus:—

(1) "Eligible Holder" means:—

- (a) The trustee or trustees of any pension scheme or fund which is either:-(i) a scheme of which all or some part is treated by the Inland Revenue as an "exempt approved scheme" for the purposes of Section 21 of the Finance Act 1970 and where not less than 95 per cent of the income therefrom is reated by the Inland Revenue as being exempt for tay purposes; or
  - (ii) a retirement annuity trust schema approved under the provisions of Sections 226(5) at 226A(6) of the Income and Corporation Taxes
- (b) A company authorised to carry on in the United Kingdom insurance
- business of a class which includes pension business, provided that:— (i) the Stock is held against, and applied solely towards meeting, pengion business liabilities; and
  - (ii) the market value of the Stock so held, when aggregated with the market value of any holding of any other Index-Linked Government Stock which may be issued subject to the same or similar restrictions, does not at any time exceed the value at that time of pension business liabilities, not of rainsurance, as estimated by the company's appointed actuary on assumptions that would be appropriate for a valuation of the long-term business liabilities under Section 14 of the Insurance Companies Act 1974.

(c) The trustee or trustees of a registered friendly society as defined in Section 7(1) (a) of the Friendly Societies Act 1974 or of a branch thereof registered under that Act, which carnes on pension business, provided

(i) the Stock is held against, and applied solely towards meeting, pan-sion business liabilities; and

(ii) the market value of the Stock so held, when aggregated with the me market value of the Stock so held, when aggregated with the market value of any holding of any other Index-Linked Government Stock which may be issued subject to the same or similar restrictions, does not at any time exceed the value at that time of pension business liabilities, not or reinsurance, as estimated by the appointed actuary of the society or branch on assumptions that would be appropriate for a valuation of the liabilities of the society or branch under Section 41 of the Friendly Societies Act 1974.

(d) Any person carrying on business as a recognised stock jobber on The Stock Exchange, provided that the Stock is held as trading stock in the nary course of his business as a stock job

(6) Any person, other than one specified in (d) above, to whom certifiable balance lacilities have been made available in respect of the Stock by the Bank of England, provided that the Stock is held by that person as nominee for an Eligible Holder specified in (a) or (b) above.

(1) The Governor and Company of the Bank of England, issue Department

(g) The person for the time being holding the position of Senior Broker to the Nabonal Debt Commissioners. (h) The National Debt Commissioners for public funds under their manage-

(2) The restrictions contained in sub-paragraph (i) of paragraphs 8(1)(b) and (c) shall cease to apply in the event of the compeny entering into liquidation (other than provisional liquidation) for whatever reason or in the event of the commencement of a winding-up by whatever means of the society or branch, and shall be suspended for such period as shall elapse between the levying of any distress or execution (or the taking of any similar step) by a judgment creditor against the whole or any part of the assets of the compeny or society or branch in respect of any unsatisfied judgment debt and the satisfaction or discharge of the debt is respect of which the distress or execution was levied (or other similar step was taken).

(3) For the purposes of this prospectus. "pension business means the resuing of insurance contracts the premiums under which fall within Section 323(4)(a), (aa) or (b) of the income and Corporation Taxes Act 1970; and "market value" means the value of the Stock at the everage of the two prices shown in the quotation for the Stock in The Stock Exchange Daily Official List for the relevant date or, it no Official List has been published for that day, for the most recent day prior to that day for which the Official List has been published.

 (4) A reference to any enactment is to be construed as a reference to that
enactment as subsequently modified or re-enacted
 5. Eligible Holders specified in paragraphs \$(1)(d), (e), (f), (g) and (h) will 9. Eligible Holders specified in paregraphs 8(1)(d), (e). (f). (g) and (h) will not be required to furnish storatory declarations for the purposes of paregraph 5 Statutory declarations required to be furnished by all other Eligible Holders will be in such form as the Bank of England shall from time to time prescribe, and will be to the effect that any person who is to become the registered holder of any of the Stock, or on whose behalf any of the Stock is to be held by a person specified in paragraph 8(1)(a), is an Eligible Holder, is not acting as the nominee of any other person any has not created and will not create in layour of any other person any rights in respect of that Stock by way of encumbrance or by way of transfer of beneficial ownership not involving a change in the registered holder. Statutory declarations will also contain undertakings relevant to the provisions of paragraphs 11 and 12

10. The Bank of England reserve the right at any time to require the registered holder of any of the Stock, or a person on whose behelf any of the Stock is held by a person specified in paragraph 8(1)(a), to furnish such evidence (whether by statutory declaration or otherwise) as may be reasonably required, to the effect that the provisions laid down in paragraph 9 have been and are continuing to be observed in relation to the Stock registered in his name or held on his behalf, or to such other effect in relation to a holding of the Stock as the Bank of

England may reasonably require.

11. If any statutory declaration made under the foregoing provisions shall be proved to have been unitrue at the time it was made, either by a conviction of the declarant under the Perjury Act 1911 or otherwise to the satisfaction of the Bank of England, the Bank of England as apont of her Majesty's Treasury shall be entitled, as a term of issue of the Stock which shall be limiting on all persons by whom or on whose behalf any of the Stock is held, to require the surrender of the relevant certificate of title (if any) and to sell the Stock covered by such statutory declaration in the market or to the Governor and Company of the Bank of England, Issue Department, and to confer a good title on the purchaser of such Stock; and the Bank of England shalf be under no liability whatsover other than a liability to account to the registered holder for whichever is the lesser of (i) the proceeds realised on such sale or (ii) the market value of the Stock on the date on which the unities statutory declaration was made, in each case less expenses properly incurred in connection with such sale by the Bank of England.

the Benk of England.

12. If at any time any person in whose name or on whose behalf Stock is held ceases to be an Eligible Holder by virtue of ceasing to satisfy in whole or in part the conditions laid down in paragraph 8, that person shall notify the Bank of England forthwith and may be required by the Bank of England by notice in writing to dispose of all or part of the relovant Stock within one month of such notification. In the event that any such person shall fail to comply with the requirements of such notice, or if it should come to the attention of the Bank of England other than by notification from such person that has ceased to the oligible, the Bank of England shall be entitled to require the surrender of the relevant certificate of title (if any) and to sell the Stock in accordance with the provisions of the preceding paragraph, and the Bank of England shall be under no flability whatsoever other than a tability to account to the registered holder for whichever is the lesser of (i) the proceeds realised on such sale or (ii) the market value of the Stock on the date on which such person ceased to be eligible, in each case loss expenses properly incurred in connection with such sale by the Bank of England.

13. The right is reserved to Her Majesty's Treasury from time to time to extend the definition of Eligible Molder to include any other class or category of persons who would not be included in such definition at the date of this prospectus. Any such extension will be promulgated by means of a supplement to this

prospectus

14 If not previously redeamed under the provisions of paragraph 23, the Stock will be repaid on 16th September 1996. The value of the principal on repayment will be related, subject to the forms of this prospectus, to the movement, during the file of the Stock, of the United Kingdom General Index of Retail Prices maintained by tile Department of Employment, or any Index replacing that Index, such movement being indicated by the Index figure issued monthly and subsequently published in the London. Estimburgh and Bollast Gazettes.

15 For the purposes of this prospectus, the Index figure applicable to any month will be the Index lique issued seven months prior to the relevant month; and relating to the month before that prior month; "means calendar month; and the Index ratio applicable to any month will be equal to the Index figure applicable to the Morch 1981.

16 The amount due on repayment, per £100 notainel of Stock, will be £100 multiplied by the Index ratio applicable to the month in which repayment takes place. This amount, expressed in pounds storling to two places of decimals rounded to the nearest figure below, will be ennounced by the Bank of England.

17. Interest will be payed balf-yearly on 19th March and 18th Sapi Income tax will be deducted from payments of more than 55 per interest warrants will be transmitted by post.

19 Each subsequent half-yearly interest payment will be at a rate, per £100 nominal of Stock, of £1 multiplied by the Index ratio applicable to the month

20 The rate of interest for each interest payment other than the first, expressed as a percentage in pounds starting to two places of decimals rounded to the nearest figure below, will be announced by the Bank of England not later than the business day immediately preceding the date of the previous interest.

payment.

21. If the Index is revised to a new base after the Stock is issued, it will be necessary, for the purposes of the preceding paragraphs, to calculate and use a notional index figure in substitution for the Index figure applicable to the month in which repayment takes place and/or an interest payment talks due ("the month of payment."). This notional index figure will be calculated by multiplying the actual lands figure applicable to the month of payment by the index figure on the old base for the month on which the revised index; is based and dividing the product by the new base figure for the same month. This procedure will be used for each occasion on which a revision is made during the life of the Stock.

during the life of the Stock.

22. If the Index is not published for a month for which it is relevant for the purposes of this prospectus, the Bank of England, after appropriate consultation with the relevant Government Department, will publish a substitute Index figure which shall be an estimate of the Index figure which would have been applicable to the month of payment, and such substitute Index figure shall be used to all purposes for which the actual Index figure would have been relevant. The calculation by the Bank of England of the amounts of principal end/or interest payable on the basis of a substitute Index figure shall be conclusive and binding upon all stockholders. No subsequent adjustments to such amounts will be made in the event of subsequent publication of the Index figure which would have been applicable to the month of payment.

To any change should be made to the coverage or the basic calculation of related which, in the opinion of the Bank of England, constitutes a fundamental hange in the Index which would be materially detrimental to the interests of tockholders. Her Majesty's Treasury will publish a notice in the London, dinburgh and Bellast Gazettes immediately following the announcement by its relevant Government Department of the change, informing stockholders and fering them the right to require Her Majesty's Treasury to redeem their stock advance of the revised Index becoming effective for the purposes of this respectus. Repayment to stockholders who exercise this right will be effected, no a date to be chosen by Her Majesty's Treasury, not later than six months own the month of publication of the revised Index. The amount of principal on repayment and of any interest which has accrued will be effected to the basis of the Index ratio applicable to the month in which repayment also stockholders at their registered address by the Benk of England at the opponents time

24 Tenders must be lodged at the Bank of England. New Issues (X). Welling Street, London, ECAM SAA not later than 10.00 A.M. ON FRIDAY, 27TH MARCH 1981, or at gny of the Branches of the Bank of England or at the Glasgow Agency of the Bank of England not later than 3.0 P.M. ON THURSDAY, 28TH MARCH 1981, Each tender must be for one amount and at one price which is a multiple of 25p. TENDERS LODGED WITHOUT A PRICE BEING STATED WILL BE REJECTED.

27 A separate cheque representing a deposit at the rate of £35.00 for e £100 of the nominal amount of stock tendered for must accompany each tencheques must be drawn on a bank in, and be payable in, the United Kingd the Channel Islands or the Isle of Man. Envelopes containing tenders ship be marked "Index-Linked Treasury Tender". Tenders must be for a minimum of £5,000 nominal of

£5.000

Amount of Stock tendered for £5,000—£50,000 £50,000 or greater

27 Her Majesty's Treasury reserve the right to reject any tender or to allot a less amount of Stock than that tendered for. Valid tenders will be ranked in descending order of price and allotments will be made to tenderers whose tenders are at or above the lowest price at which Her Majesty's Treasury decide that any tender should be accepted (the allotment price). All allotments will be made at the allotment price and tenders which are accepted and which are made at prices above the allotment price will be allotted in full. Any belance of Stock not allotted to tenderers will be allotted at the allotment price to the Governor and Company of the Bank of England, Issue Department

Governor and Company of the Bank of England, issue Department

28. Letters of allotment in respect of Stock allotted, being the only form in which the Stock may be transferred prior to registration, will be despatched by post at the risk of the tenderer, but the despatch of any letter of allotment, and any refund of the balance of the amount paid as deposit, may at the discretion of the Bank of England be withheld until the tenderer's cheque has been paid. In the event of such withholding, the tenderer will be notified by letter by the Bank of England of the acceptance of his tender and of the amount of Stock allocated to him, subject in each case to payment of his cheque, but such notification will confer no right on the tenderer to transfer the Stock so sallocated.

allocated.

29. In the event of partial efforment, the balance of the amount paid as deposit will, when refunded, be remitted by cheque despatched by post at the risk of the tenderer; if no efforment is made the amount paid as deposit will be returned likewise. Payment in full may be made at any time after allotment but no discount will be allowed on such payment. Interest at the rate of 1 per cent per annum over the Bank of England's Minimum Lending Rate on a day-to-day basis may be charged on any overdue amount which may be accepted. Default in due payment of any amount in respect of the Stock will render the allotment of such Stock liable to cancellation and any amount previously paid liable to forfature.

30. Lotters of allotment may be split into denominations of multiples of £1,000 on written request received by the Bank of England, New Issues, Walling Street, London, EC4M 9AA, or by any of the Branches of the Bank of England, on any date not later than 21st May 1981. Such requests must be signed and must be accompanied by the latters of allotment (but a letter cannot be split if any instalment payment is overdue).

31. Letters of allotment must be surrendered for registration, accompanied by a completed registration form and, where required, a statutory decisration, when the balance of the purchase money is paid, unless payment in full has been made before the due date, in which case they must be surrendered for registration not later than 26th May 1981.

32. Tender forms, statutory declaration forms and copies of this prospectus may be obtained at the Bank of England. New Issues. Wetling Street, Londog EC4M 9AA, or at any of the Branches of the Bank of England, or at the Glasgow Agency of the Bank of England: at the Bank of Ireland, P.O. Box 13, Donegalf Place. Belfast, BT1 5BX: at Mullens & Co.. 15 Moorgate, London, EC2R 6AN; or at any office of The Stock Exchange in the United Kingdom.

#### THIS FORM MAY BE USED TENDER FORM

This form must be lodged at the Bank of England, New Issues (X), Watting Street, London EC4M SAA not later than 10.00 A.M. ON FRIDAY, 27TH MARCH 1981, or at any of the Branches of the Bank of England or at the Glasgow Agency of the Bank of England not later than 3.30 P.M. ON THURSDAY, 25TH MARCH 1981. Envelopes containing tenders should be marked "Index-Linked Treasury

ISSUE BY TENDER OF £1,000,000,000

## 2 per cent INDEX-LINKED TREASURY STOCK, 1996

TO THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND

1. NOMINAL AMOUNT OF STOCK

Amount of Stock tendered for 25,000—250,000

Multiple 55,000 £25,000 £

2. AMOUNT OF DEPOSIT(a) Amount of deposit enclosed, being £35.00 for avery £700 of the nominal amount of Stock tendered for (shown in Box 1 above):—

3. TENDER PRICE(b) The price tendered per £100 Stock, being a tiple of 25p (tenders lodged without a price £ g stated will be rejected).—

I/We declare that I am/we are an Eligible Holder as defined in paragraph 8 the prospectus dated 10th Merch 1981, or am/are tendering for Stock, on half of an Eligible Holder as so defined. I/We hereby engage to pay the instalments as they shall become due y allotment that may be made in respect of this tender, as provided by

I/We request that any letter of allotment in respect of Stock allotted to me/us sent by post at my/our risk to me/us at the address shown below.

March 1981 SIGNATURE ... tenderer PLEASE USE BLOCK LETTERS FULL POSTAL POST-TOWN COUNTY

A separate cheque must accompany each tender. Cheques should be made payable to "Bank of England" and crossed "Treasury Stock." Cheques must be drawn on a bank in, and be payable in, the United Kingdom, the Channel Islands or the labor of Man.

FT

## Generalist CURRENCIES, MONEY and GOLD

## £ & \$ improve

Sterling improved against most currencies yesterday, after Tuesday's UK Budget was seen as a continuation of Government's tight monetary policy. Trading was still rather nervous and erratic though.

Dollar recovered from a weak

within the European Monetary but remained the strongest currency. The Belgian franc was slightly firmer despite an unchanged discount rate after yesterday's meeting of the National Bank.

STERLING — Trade weighted index (Bank of England) rose to 99.3 from 98.6, having stood at 99.3 at noon, and 99.0 in the morning. Sterling was mostly firmer yesterday, shewing small against against European currencies, but easing slightly against the dollar. It opened at \$2.2175, and reached a best level of \$2.2200 and reached a best level. of \$2.2320 on dollar weakness, before coming back to \$2.2130

FFr 11.0350. DOLLAR - trade weighted DM 2.1050, and SwFr 1.9400 from SwFr 1.9210. It was also firmer against the yen at Y207.6 com-pared with Y206.75.

D-MARK — A sharp rise in by BFr 6.35hn to BFr .75,17bu,

Guilder. .

lombard facility has led to a recovery by the D-mark, and it is now the strongest currency within the European Monetary System. Previously high foreign interest rates and Germany's continuing large balance of pay-ments deficit had put pressure Dollar recovered from a weak start, after a lower trend in Euro-dollar rates, and swap arrangements by the Bundesbank to tighten West German liquidty in the money market. The firmer tendency reflected late demand, notably from New York.

European carrencies finished easier on balance against the dollar the market factor—The Bundesbank arranged its position at the top of the EMS. Tension over the situation in Poland remains a market factor—The Demark was slightly weaker overall, but maintained its position at the top of the EMS. Tension overall, but maintained its position at the top of the EMS. Tension overall, but maintained its position at the top of the EMS. Tension overall, but maintained its position at the top of the EMS. Tension overall, but maintained its position at the top of the EMS.

furt to push up domestic interest rates, and this left the dollar virtually unchanged at the fixing at DM 2.1117 against DM 2.1106 on Tuesday. Sterling was higher at DM 4.6950 from DM 4.6710, and the French franc rose to DM 42.41 per FFr 100 from 42.39. The Belgian franc was also firmer at DM 6.104 per BFr 100

BELGIAN FRANC — A con-tinued weakness within the EMS has prompted the Belgian National Bank to increase short term interest rates, but it has resisted a rise in the discount rate so far, for fear of damaging further an already depressed during the afternoon. It closed at \$2.2175-2.2185, a fall of 1.05c. sharp recovery has also put It was slightly firmer against the D-mark at DM 4.69 from The Belgian franc showed a DM 4.6850, and rose against the French franc to FFr 11.0725 from yesterday ahead of the regular weekly meeting of the Newborn. weekly meeting of the National Bank. Speculation that the disindex (Bank of England) rose to count rate would be increased 100.1 from 99.6. The dollar finished above Tuesday's closing levels, despite a fall in Euro. The rates on ordinary and special an unchanged rate of 12 per cent. The rates on ordinary and special dollar rates. Against the D.mark advances were also unchanged at it finished at DM 2.1150 from 13 per cent and 14 per cent DM 2.1050, and SwFr 1.9400 from respectively. Figures released yesterday by the National Bank showed that in the week to March 9, ECU holdings bad fallen

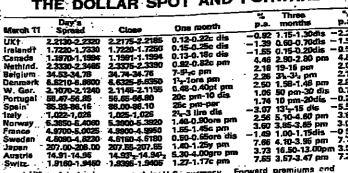
+0.46 -0.57

-0.47 -0.47

+2.48 +2.58 +2.58

THE POUND SPOT AND FORWARD 22130-2.2320 2.2176-2.2185 0.12-0.22c dis
2.6530-2.6520 2.6550-2.5560
5.174-5.21 5.194-5.295
7.5.57-7.15 7.00-77.10
14.70-14.78 17.76-14.78 1.2805-1.2810
125.20-1.2810 1.2835-1.2850
125.20-181.50 125.60.725.60 30c pm-0.05 dis
190.70-181.50 125.60.725.60 30c pm-0.05 dis
190.70-181.50 125.60.725.60 30c pm-3 dis
190.70-181.50 -3.16 2.15-2.3500 3.45 34-24 pm 0.31 9-13 dis 0.48 24-44 dis 0.74 0.17-0.31di 1.28 1 pm-per

THE DOLLAR SPOT AND FORWARD



CURRENCY	MOVE	WENTS	CURF	(EN	Y RA	TES
Mar. 11		Morgan Guaranty Changes?	Mar. 10	Bank rate %	Special Drawing Rights	Europear Currenc; Unit
Sterling U.S. dollar Canadian dollar Austrian schilling Seigian franc Deutsche mark Deutsche mark Canadian Cana	99.3 100.1 84.8 116.2 107.4 120.4 123.8 123.1 88.5 61.2 146.7 sighted characteristics	-26.9 -3.9 -18.5 +22.5 +9.4 -10.3 +39.8 +74.2 +15.8 -55.6 +48.4 	Sterling U.S. \$ Canadian S. Austria Sch. Beigium F. Danish K. D mark. Guilder French Fr. Lira Yen Norugin. Kr. Spanish Pts. Swediah Kr. Swiss Fr. Greak Dr'ch.	13 17,16 63, 12 11 71 <sub>2</sub> 9 161 <sub>2</sub> 74 9	1.47024 18.3575 42.4640 8.15198 2.59218 2.86471 6.10585 1255.19 253.126 Unavail 105.806	0.54665; 1.20515 1.4041 17.9759 41.6199 7.97386 2.53864 2.80947 5.98745 1229.62 248.510 6.48496 103.519 5.56637 2.32111 61.8117

OTHER CURRENCIES

Mar. 11	£	.\$		£ Note Rates
Argentina Peso Australia Doller Brazil Cruzeiro Finiand Markka Greek Drachma Hong Kong Dollar Iran Rial Kuwait Dinar(KD) Luxembourg Free Malaysia Dollar New Zealand Dir Saudi Arab. Rival	1,9115.1,9136 162.10-163.10 9.01-10.02 111,577-114.294 11.723-11,741 <sub>2</sub> 165.75- 0.507-0.613 77,00-77.10 5,0075-5,0175	73.81.73.38 4.0840-4.0860 51.40-51.60 5.2985-5.3015 75.00 0.2739-0.2741 34.74-34.76 2.2625-2.2655 1.0855-1.0855	Austria Beiglum Denmark France Germany Italy Japan Netherlands Norway Portugal Spain Sweden	52,90-53,30 78,20-79,00 14,52-14,77 11,01-11,11 4,6612-4,71 2255-2350 461-467 5.17-5.22 11,90-12,02
Singapore Dollar. 5th African Rand U.A.E. Dirham	1,7475-1,7500	0.7880 9.7890	Switzerland Funited States Yugoslavia	2,21-2.23

Rets given for Argentina is free rate. "Selling rate.

**EXCHANGE CROSS RATES** 

							-			
. Mar. 11	PoundSterting	U.S. Dollar	Deutschem')	Japan'se Yen	FrenchFranc	Swiss Franc	Dutch Gulid	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1,	2,218	4,593	460.5	11.073	4,305	5.198	2276.	2.656	77.06
J.S. Dollar	0.451	1.	2,116	207.6	4.992	1,941	2.348	1026.	1.197	34.74
Deutschemark	0.213	0.478	10.19	98.14	2.350	0.917	1,108	485.0	0.566	15.42
Inpanese Yen 1,000	2.172	4.817		1000:	24.04	9.349	11,25	4942,	5.767	167.3
rench Franc 10	0,903	2,005	4,258	415.9	10.	3,888	4.694	2056.	2,398	69.59
Wiss Franc	0,232	0,515	1,090	107.0	2,572	1,	1,207	528.7	0,617	17.90
Outon Guilder	0.192	0.487	0.905	88.60	2,130	0.828	2,284	487.9	0.511	14.82
talien Lira 1,000	0.459	0.975	2.062	202.3	4,865	1.891		1000.	1.167	33.85
anadian Dollar	0.377	0,835	1.767	178.4	4,170	1.621	1,957	857,1	3,446	29,02
Jelgian Franc 100	1.298	2,879	6.090	597.7	14,37	5.587	6,748	2954.		100

FT LONDON INTERBANK FIXING (11.00 a.m. MARCH-11)

3 months U.S. dollars 6 months U.S. dollars bld 15 9/16

EMS EUROPEAN CURRENCY UNIT RATÉS

41.7042 7.99415 2.54365 5.99801 2.81440

Tokyo, Detatsche Bank, Banque Nationale de Parie and Morgan Guaranty Trust

trading. The high for the day was around \$479-482, with a low of \$471,474

In Paris the 124 kilo bar was fixed at FFr 85,100 per kilb (\$539.44 per ounce) in the after-

noon, compared with FFr 35,200 (\$533.19) in the morning, and FFr 85,200 (\$533.04) on Tuesday

In Frankfurt the 12} kill bar

was fixed at DM 32.670 per kilo (\$481.99 per ownee) against DM 32.800 (\$483.28) previously and closed at \$475.478 compared with \$486.489 an ownce on

EURO-CURRENCY INTEREST RATES (Market closing Rates)

Mar. 11	Sterling	U.S Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	italian Lira	Belgian Franc Convertible	Japanese Yen
hort term	1379-14.		17-18   17-18   17-17-69   1550-17   164-165-6   1514-156-8	10-101g 1014-1016 1058-1034 1058-1056 1054-1078 1034-1078	1g.1 134.214 758.719 844.84 338.818 8-818	976-101g 1014-1012 1876-1876 1276-1214 1818-1246 1114-1112	11-111 <sub>2</sub> 11-111 <sub>2</sub> 11-111 <sub>3</sub> 12-121 <sub>4</sub> 12-121 <sub>4</sub> 12-121 <sub>4</sub> 13-131 <sub>4</sub>	151g- 171g 161g- 181g 171g- 181g 18-19 181g- 191g 183g- 191g	11-12 11-12 12-13 13-14 13-14 13-14 14-14-18	8-814 814-812 818-838 8-834 8-814 8-814

SDR linked deposits: one-month 124-134 per cent: three-months 131-134, per cent; six-months 131-134 per cent; one-west 125-134 per cent.

Asian S (closing rates in Singapore): one-month 144-144 per cent; three months 151-152, per cent; six months 152-154 per cent; one-west 151-154 per cent; Short-term retes are call for U.S. dollars. Canadian dollars and Japanese yen; others two-days' notice.

The following nominal rates were quoted for London dollar certificates of deposit: one-month 75.45-15.55 per cent. three sponths 15.45-15.65 per cent.

15.40-15.50 per cent: one year 15.10-15.20 per cent.

## INTERNATIONAL MONEY MARKET

## Moves on liquidity

iquidity yesterday by offering economy of an increase in the discount rate, the central bank with the commercial banks for repayment in eight days' time. A move to tighten interest rates had been expected, with call in Amsterdam the money money opening at around 11 per-cent and falling to 10 per cent compared with the current

per cent.
Funds were fairly heavily offered, as the extensive use of special Lombard facility last week had put many banks ahead of their expected liquidity reor their expected uquidity requirements. On Tesuday and Wednesday of last week the authorities advanced DM 25.2bn and DM 25bn respectively, but the use of the facility had fallen to DM 25bn by this Tuesday.

Tuesday. In Paris call money rose to 113 per cent from 113 per cent where it had been since last Friday. Brussels the Belgian

National Bank decided to leave its discount rate at 12 per cent. despite the recent pressure on the Belgian franc within the European Monetary System. The currency remained well outside the EMS alarm bell divergence limit yesterday, but with the downward trend in U.S., German British interest rates

MONEY RATES NEW YORK Fed. Fund 13-14 Treasury Bills (13-week) 13.96 Treasury Bills (26-week) 13.30 GERMANY One month ...... Three months ..... Six months :..... Descript Rate 9.5
Overnight Rate 11.75
One month 11.8125
Six months 12.375 JAPAN Cunconditional) ...... 8.312
Discount (three-month) .........

Weaker trend The German Bundesbank recently, as well as the severe acted to reduce money market implications for the Belgian Gold fell \$12 an sunce in the London bullion market yesterday to \$472-475. Short covering on Tuesday had pushed the metal (\$481.99 firmer but selling developed DM 32.80 yesterday and after opening at and close \$477.480, it fell to a morning with \$48 fixing of \$475.50. The afternoon Tuesday.

market showed little reaction to authorities' offer of compared with the current F1 1.403hn daily at 101 per cent-special Lombard facility of 12 by way of a seven-day special Fl 1.403bn daily at 101 per cent. scount facility.

Rates

Bank of England Minimum Lending Rate 12 per cent (from March 10, 1981) Short term interest rates were very firm in the London money

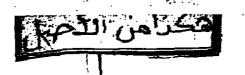
Mar. 10 Gold Bullion (fine ounce) Close \$473.475 Opening \$477.480 Morning fixing \$475.50 Afternoon fixing \$475.25 (\$213.2141<sub>4</sub>) (\$214.2161<sub>4</sub>) (\$215.516) (\$214.238) Gold Coins C22014-2201a) (£224 (4-225) (£11512-116) (£25834-5934) (£24 (4-2454) (£223-22354) (£26-25) (£2174;-21.014) (£2174;-21.014) (£251;-53) (£521;-6314) (£78-791; (£2671;-26814) (£2071;-2094;) (£268-271) (£223-2234) (£55-5512) (£6314-6414) (£6314-6414) (£7714-7812) (£2723-27412)

fixing was slightly firmer at In Zurich gold closed at \$473-\$476.25, but it fell away in later 475 against \$486.489 previously.

very firm in the London money of the authorities gave very large assistance to relieve 2 shortage of day-to-day credit. Although the help was probably overdone, conditions are eligible bank bills outright from authorities held a small amount of local bought forward large payments to the Exchequer. LONDON MONEY RATES

	, ,									
	Sterling Certificate of deposit		Authority	Local Auth negotiable bonds	House	CORPORTS	Discount Market Deposits	<b>/</b>	Eligible Bank Blis o	Fine Trade Bills 4
Overnight.  2 days notice.  7 days or notice.  7 days notice.  One month.  Two months.  Three months.  Six months.  Whe months.  One year.  Two years.	1354-1374 1374-1274 1376-1314 1216-1314 1276-1316	12 % 12 % 12 % 12 %	12% 13 1214-12%	154, 156 151, 125, 126, 124 124, 121, 125, 124	141g 14- 151g 181g 127g 125g 125g	1214	111 <sub>1</sub> -12 12 12 12 13 117 <sub>8</sub> -12	1116 1154	12-12 m 12-12 m 12-12 m 117a 115g	~

Local authorities and finance houses seven days notice; where seven days fixed. Long-teim local authority mortgages rates nominally three years 13 per cent; four years 13½ per cent; five years 13½ per cent. • Benk bill rates in table approximate setting, rate for one-month. Treasury bills, 11½-11½ per cent; four-month trade bills 12½ per cent; two-months 11½-11½ per cent; two-months 11½-11½-per cent; two-months 11½-11½



## Longer life for car ignition systems

eignition system for cars that makes use of optics in place of the contact breaker, while a small UK company called Plasma Ignition systems has announced a unit which in effect prolongs the time of the spark. The AC Delco unit makes use

of an infra-red beam which is interrupted by a rotating "chopper" blade which fits on To the distributor shaft under the rotor. The timed pulses are esurned into high voltage supply For the spark plugs by means of an electronic power module. There is no mechanical action of any kind and the unit is claimed to be more reliable and accurate Than magnetically triggered or

The unit, called Deltronic is said to be quick and easy to install and to offer good cold starting, improved fuel consumption, better acceleration vand smoother performance.

exhaust emision are claimed for the other unit, called Plasmig from Plasma Ignition Systems of Chiswick in London (01-937

1277).

The idea of this device is to produce a "long burn power arc" which effectively lengthens the combustion period from the five degrees of crankshaft rotation usually available with ignition systems, to 30 degrees.
It is claimed that the unit provides a solution to many of the major problems which have hindered the development of lean-burn car engines—a reduced amount of fuel per induction stroke can be more thoroughly burned up.

It is also possible that other kinds of basically less flammable fuels could be used with such prolonged arcs, including vege-table oils, alcohols and coalbased fuels. More on 01-994 0245. GEOFFREY CHARLISH

#### Finns develop chip based language laboratory

A LANGUAGE laboratory system with an integral microcomputer designed to simplify the work of the teacher and give him more time for verbal instruction has been introduced by the Finnish company Auditek Oy. The system is claimed to obviate many of the complex switches and controls conventional language laboratories. The teacher's concole incorporates a visual displsy unit used in conjunction with simple programming keys.

Once the lesson programs Lave been entered, the system n be left to run automatic-; although the feacher can therrupt it at any time. Each luent's cassette recorder also as its own microprocessor and, 1. Is claimed, four lesson pro-Ruissalontie 11, Turku 20, Fin-Frams can be presented simul- land (010 358 21 307 700).

taneously to different groups of students. Through his console the

teacher can monitor each student in turn. He can speak to the students individually or as a group; or he can operate any student's recorder by re-mote control. His program tapes and recorders are conveniently at hand in the console drawers. IC-2000, comprises the ER 1500 student's recorder, which has an automatic phrase-repeat facility, a programmable "bookmark," and digital volume control for student's and teaching program tracks. It takes standard tape cassettes and runs at

47 mm/sec normally, or 190 mm/sec for rapid copying.

#### Nexos will sell British ot matrix printer

original equipment manufac descenders and underlining turers has been introduced by Proportional spacing, right turers has been introduced by Walters Microsystems and will margin justification and ex-be marketed in Britain by panded characters are claimed Nexos: Office Systems, Centre to enhance the print appear-Point, 103, New Oxford Street, London WC1 (01-240 5795). printer is said to operate at up matic block repeat, full graphics to 240 characters/sec. over 132 capability, built-in serial and columns. It offers 7 by 9 or parallel interfaces, forms con-

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-XMedical Electronics

\*Computers

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ndustrial

5F821

An old silicon skill comes into its own

of it-will cause semiconductor companies to make a dramatic switch to CMOS (complementary metal oxide semiconductor) technology to build the next generation of integrated cir-

Major U.S. semiconductor manufacturers, all of whom have previously specialised in the alternative NMOS (N-type metal oxide semiconductor) technology, now agree that CMOS will be the dominant seminductor technology by the end of the decade. Intel, National Semiconductor, Motorola and others are now putting great efforts into readying new CMOS production processes.

The great attraction of CMOS is that it uses less power than the more commonly used NMOS. This makes CMOS devices par-ticularly well suited to batteryrun equipment, be it telephone line equipment, portable instruments or military hardware. CMOS is also more resistant to noise" from radiation. It is therefore better in harsh environments such as "heavy" industrial control systems than

In the future, the power advantages of CMOS will become even more important. With the progress of IC technology, more and more transistors are being packed into smaller areas of silicon. As device densities increase, there are more transistors drawing more power in a smaller chip area. The result is heat, which upsets the performance of the device. One solution is to build special heat removing packages,

oil prices that followed the 1973

war in the Middle East, the heat

invented more than 100 years

ago, was commonly regarded as

an interesting but not particu-

larly economical proposition

industrial and domestic

CMOS. CMOS has been around for years; it is as old as the semiconductor industry. But it has always been seen by mainline U.S. manufacturers as a second-class technology. Its drawbacks Motorola has already brought have kept it out of the really out a CMOS version of one of high volume products, like memory devices. For these, CMOS was regarded as too expensive, too slow and too big. leader in high performance
All three are connected. CMOS NMOS technology, is also

but this is expensive and bulky. the right idea all elong on The alternative seems to be automobile size. Maybe we are just now recognising that the European view (on microprocessor technology) is also right -CMOS is a mainstream techcommented Motorola's its microprocessors and is planning more in the near future.

Louise Kehoe reports an abrupt change of course for semiconductor manufacturers.

Intel, which has long been a logic gates are made up of pairs changing its view. Intel will

state of the art for CMOS devices on the market is five The important feamicrons. ture of CHMOS is that it appears to combine the low power dissipation of CMOS with the speed and size advantage of NMOS.

National Semiconductor also sees CMOS as a key to the development of VLSI circuits.

The company has developed a CMOS process which it calls P2CMOS, and has brought out a range of CMOS products which

## European semiconductor makers have long been believers in CMOS, despite its difficulties. Now it

more space, which means less devices on a chip, or big-ger chips; either is bad. Forming the two types of transistors which make up CMOS devices also calls for additional production process steps, another additional expense.

Ironically, European semiconductor makers, like Philips, have long been believers in CMOS, despite its difficulties. Now it looks as if U.S. and Japanese firms will be making the switch to CMOS.

time and CMOS microprocessors will follow, probably next

Intel's engineers are making

light of the change over to CMOS. They have devised a CMOS process which is as much like the firm's patented NMOS process (called HMOS) as possible. According to the firm's process engineers it only takes a couple of extra masking steps—exposures of the chip in a photographic type process— to produce the CMOS circuits. CHMOS, as Intel calls its new process, is probably the most advanced CMOS technology in the industry. The size of features on the Intel chips is a

communications circuits and memories. They will announce a CMOS version of one of Intel's most popular microcomputers (the 8048). According to Pierre Lamond, vice president and technical director of National, "We recog-

nised early in the game that it (CMOS) would be a key for the. development of VLSI devices. "Ultimately, the number of devices in a given package will be limited by the power dissipation of that package. From that standpoint, CMOS has an excellent speed versus power dissipation characteristic, so that in VLSI for the same power dissipation you can have more active devices-more functions

HOTWATEROUT

semiconductor technology pro-

National, like Intel, claims to have minimised the size penalty and process complexities of CMOS. According to Lamond, circuits that combine logic with linear functions such as analog to digital conversion, are best built in CMOS. He gives the example of telecommunications circuits. "We are able in some cases to get smaller chips in this application area using P2CMOS than we could with NMOS or other processes," he says, "As the cost differential of CMOS versus NMOS declines, CMOS will be applied to automotive, industrial and battery powered devices, and practically any harsh environment situation,

such as in heavy industrial con-trol systems," Lamond predicts. Mitel, the Canadian company which has recently signed licensing agreements with GEC, Plessey and British Telecoms, is a long time expert in CMOS. The company has a patented ISO-CMOS process, a variation which is designed to give speed along with low power dissipa-tion, and makes a range of processors, memory parts and telecommunications chips. Richmond, Mitel's product marketing manager welcomed

Mitel expects to be facing new competition from Intel, National and others, but according to company engineers, they expect it to be at least another year firms have their new CMOS pro-

more than half the cost of

producing the same amount of

heat by burning oil: and the advantage could increase every

time the price of furnace oil

Anex reports that last Sep-

main central heating boiler.

surge in interest in CMOS from

U.S. manufacturers.

#### Contract Research & **Development-**Contact IRD

International Research & Development Co Ltd Fossway, Newcastle upon Type NE6 2YD

#### **NEWS IN BRIEF FURNACES**

REPLACING GAS fired crucible furnaces at Guest and Chrimes of Rotherham are two 70 kilogramme double push out furnaces supplied by Inductotherm Europe, The Furlong, Berryhill Industrial Estate, Droitwich, Wores. (Droitwich 71555).

These have a capacity to melt 70 kilogrammes of gunmetal every 13 minutes and are powered by a 125 kW frequency VIP Power-Trak. Their use will enable Guest and Chrimes to mekt faster with lower metal losses and reduced gas pick-up.

The ability to empty the furnace completely and restart with a different alloy will give increased flexibility and allow a more extended range of alloys to be produced.

TO MEET the need of many companies and research organisations for relatively small quantities of liquid nitrogen, the Swiss company Sulzer AG has developed a liquid nitrogen generator unit with a capacity of 18 litres/hour and only two components with moving parts: an air compressor and an expansion turbine fitted with noncontacting and therefore frictionless gas bearings.

The unit, known as Linit 20, is designed for automatic un-attended operation. Sulzer claims there is no need for defrosting, so it can be operated continuously over long periods without loss of performance. Details from Sulzer (UK) on 0252 33 1351.

#### CHEMICALS

tember the Torch Trust, of THREE LARGE distillation Hallaton, Leicestershire, in columns for BP Chemicals No. stalled one of its LW7000 three- 3 ethanol plant at Grangemouth phase heat pumps, at a capital have been completed by Head cost of less than £2,000, to Wrightson Teesdale, a member Wrightson Teesdale, a member supply the hot water needs of of the Davy Corporation. The a blind people's home. The columns, the largest of which pump was fitted alongside the is 48.2 metres long by 4.6 metres in diameter and weighs During the summer, when the 192 tonnes, are fabricated of boiler is out of use, excess carbon steel and fitted with heat from the kitchen will be downcomers and process trays.

of its oil consumption before AT A NEW urban development near Helsinki, Oh Lohja AB has laid a trial pipeline in temperatures as low as minus 18 degrees C using Slimline pipes from ARC of St. Ives, Cambridge-

Made of durable spun con the heat pump, its fuel costs crete, the line is 55 metres long worked out at the rate of £715 of 975 mm diameter, and follows closely a successful Anex (UK) is at 39 Frog-Slimline laying trial in Japan, more, High Wycombe, Bucks completed at the end of last (0494 21075). GRACME ALLAN year.

#### looks as if U.S. and Japanese firms will be switching of "complementary" transistors, introduce its first CMOS whereas NMOS devices are built memory product in a few weeks include microprocessors, tele-

single N-type transistors.
CMOS devices therefore take

We were quite slow to recognise that the Europeans had

Energy prices give the humble heat pump new life The circuit comprises

Now conditions are different, and the heat pump's proponents claim that its hour has come. Indeed, some say that it is here to Stay for good, and that together with solar energy it has a limitless future.

With a well-designed installation, energy savings of up to 70 per cent are possible, it is claimed. The capital cost of a heat-pump for a semi-detached or small detached house could be about £2,000, and with the pump providing hot water and central heating all day in the coldest months the saving in boiler oil could amount to £2,000 over five years at current

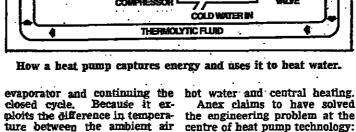
The simplest definition of a heat pump is that it is a re-friverator in reverse. It is essentially a device for collecting energy from low ambient

BEFORE THE upward surge in useful level. pumps are electrically powered with a motor driving a fan and pump, a fairly simple device a compressor. They incorporate a sealed circuit of safe, nontoxic thermolytic fluid which "boils" at a very low temperature. four elements: evaporator, compressor, condenser and expansion valve.

The fan blows air over the evaporator in which the fluid is circulating in liquid form. The relatively warm air then loses heat to the fluid which "boils," evaporates and becomes a gas. The gas passes into the comwhere it becomes much hotter before reverting to liquid form in the condenser. Here we come to the heart of

the matter, for it is this condensing process which releases the useful energy, in the form of heat, from the fluid and enables the heat pump generate more energy than is required to drive it. The energy so released is used to heat water Having released its heat, the condensed fluid, still under pressure, is allowed to expand,

changing into a vapour before



and the fluid in the system, the

pump will operate even

when the air temperature is below freezing point. One of the latest companies to enter the heat pump field is Anex (UK), a substidiary of the West German concern Anex, based in Schleswig-Holstein, which is marketing a range of pumps designed to provide

Anex claims to have solved the engineering problem at the centre of heat pump technology: how to use only a small amount of electric power to drive the pump and thus make the most of the "free" beat locked up in the air it uses. Indeed, the company claims to have reduced the amount of electric power the user has to pay for to a quarter of the energy produced a year.

by the pump. In practical terms this means

ducted to the pump. The Torch Trust kept records and after the heat pump was installed, and by the end of last month it calculated that if it had used oil alone for its domestic hot water supply the cost would have worked out at £2,010 a year. But by running

## Midland Bank **Base Rate**

Midland Bank Limited announces that, with effect from Thursday, 12th March 1981, its Base Rate is reduced by 2% to 12% per annum.

**Deposit Accounts.** Interest paid on accounts held at branches and subject to 7 days' notice of withdrawal is reduced by 21/2% to 9% per annum.

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Deposit Rate (basic) 9% (Previously 11½%)

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# BANK OF SCOTLAND

## **Base Rate**

The Bank of Scotland intimates that, as from 12th March. 1981 and until further notice, its Base Rate will be reduced from 14% per annum to 12% per annum.

LONDON AND BIRMINGHAM OFFICES—DEPOSITS

The rate of interest on sums lodged for a minimum period of 7 days subject to 7 days notice of withdrawal will be 9% per annum also with effect from 12th March, 1981

NEW YORK	Stock Mar,	Mar. Stook	Mar. Mar.	Stock 10	Mar. Stock	Mar. 1 Mar. 10 9	Dow	ΨΩ	oodo	5	in	earl	V	trade
Stock 10 9  ACF Industries 47ts 47ts AMF 2514 AM Inti 147ts 15 ARA 347s 244s 247ts 2	Columbia Gas 38½ Columbia Pict 42½ Combined Int 18½ Combustn. Eng 41 Cmwith.Edison 18¾ Comm, Satellite 48⅓	4178 Gt. Basins F 1888 Gt. Nthn. Nel 4849 Gt. West Fin 1838 Greyhound 4439 Grumman	et	Milton Bradley 5058 Minnesots MM 5954 Missouri Pac 8712	8514 Sea Contra.	214 21	JARTER A firm one	ning Wall	Active Frontier	· Airlines added	HR Dai	waster at HKS19	,20, stru	ction Y19 to Y631 and
ASA	Comp. Science 162a Cone Mills	1718 5258 4978 15514 Halliburton. Harmermil 1918	361 <sub>2</sub> 361 <sub>2</sub> 361 <sub>2</sub> 2358 34 733 <sub>4</sub> 733 <sub>4</sub> 331 <sub>2</sub>	Modern Merchg. 105e Mohasco	5414 Seagram	2712 2758 1678 1718 C 3636 3634 3918 3858	Street shares mostly investors took profits gains, making an eas on balance at mid-ses The Dow Jones	s on recent : ier showing : 1 sion. Industrial	rose. Texas Air \$111. Its Feb declined. Health-Chem. v	slipped \$1 to bruary traffic which shed \$11	while Jan treated H HK Land Hutchison	rdine Matheson K\$1.60 to HK\$19 60 cents to HK\$10 Whampoz 50 cents Swire Pacific "A"	0.00. G 0.00. G	cermany fiter continuing Tuesdays trend early vesterday
Ahmenson (H. F.) 1834 1836 Air Prod & Chem 4114 4178 Azona	Oons Edison	244 3712 Harra Minit Harcourt Br Harrischfes Harris Banc Harris Corp	g 3214 3236 3634 3834 36 16 1718 3612 2668	Motorola	527g Shell Trans, 161g Sherwin-Wn 161g Signal 5514 Signode 505g	351 <sub>8</sub> 361 <sub>4</sub> 18	Average was down a 967.67 at 1 p.m., NYSE All Common 37 cents at \$74.36 at outscored advances	while the Index lost of declines by about a	\$15}. It has filed	d for \$15m of	cents to I Kong HKS The Ha	IK\$12.90 and the 1.40 to HK\$28.50. ng Seng index ad down since its n	has Bo	res mainly turned easier to on a rather mixed note, ourse sources noted that the k market had benefited easter
Alcan Aluminium 357s. 3514 Alco Standard 3512 3554 Alegheny Ludm 435s 435s Allied Chemical 515s 53 Allied Stores 231s 231s Allie-Chaimers 2914 305s	Conti Corp	277 Hacia Minin	3212 3334	Napco Industries 221 <sub>2</sub> Nat. Can	275 <sub>4</sub> Smith Intl 275 <sub>6</sub> Smith Kline. 271. Sonesta intl	161s 1714 1578 1554 8784 8758 7312 7414	three-to-two ratio. The active with volume and 32.31m shares, but the heavy 39.84m red 1 p.m. the previous data.	nounting to was below gistered at	Stock prices dis bias at mid-day a ing, although Composite Index	the Toronto was 1.5 harder	1650 in e variety o high bank	high of just of arly February by f factors, includ- interest rates, a st new issues and h	y a Dom ling Do pate adva uge noin	he session from sharply lower nestic Bond market yields, omestic Bond prices anced by as much as one full if in a continuation of the
Alpha Portd	Cooper Inds 4654 Coors Adolph 14 Copeland 26 Copperweld 26 Copping Glass 5834	14 Hitton Hotel Hitachi 2534 Hobart Core	85½ 85 40½ 3958 3234 3288	Nat. Semioductr. 275a Nat. Service Ind. 211 <sub>2</sub> Nat. Standard 1436 Nat. Steel 271 <sub>8</sub> Natomas 303 <sub>6</sub>	Sony	1978 1978 1978 1978 1978 1978 1978 1978	Oil, Defence and nology issues, which the brunt of profit- the past few months, in the downturn by t	have borne aking over were joined	put on 18.4 to 2,2 lost 24.9 to 3,827 Gas 9.7 to 4,141.5	27.5, but Golds 2 and Oil and	property de with the e transit rail tion. Chin	evelopments connect extension of the national system. In a a, facing foreign ortages, is reported	ted rece lass sold ddi selli ex-	nt rise, and the Bundesbank DM 22.7m of paper, after ing DM 65.1m on Tuesday.  USTRIER
Am. Airines	Crane	22% Holiday Inn. 63 Holiday Inn. 42% Homestake. 59% Honeywell 47% Hoover Univ 54% Hormel Geo.	4178 4218 5054 4954 10218 10378 1278 1278	NCR	Sth Rallway, Southland SW Bancsha 414 Sperry Corp 504 Spring Mills Square D	8112 8156 2614 27 3714 3712 5536 56 1812 3338	strong Blue Chips. General Motors loss Du Pont 1 to \$49\footnote{1}, In Paper 1 to \$47\footnote{1}, East	Procter and iternational	was up 58} poin per cent. MacM delayed until noo: B.C. Resources w sbare for 6.2m sh	ts or about 2½ Lillan Bloedel, n for news that till bid C\$46 a	have sold because the shares.  To try to ket, all f	US\$50m of Hong K o encourage the n our stock exchan announced a m	ong M nar form ges trad ora Sent	arkets put on a bright per nance yesterday, although ing was only insiderate timent was broyed by the 2.
Am. Express	Curtiss-Wright	9 Hospital Cor 9 Household F 26 Houston Ind 4434 Houston Oil 491e Hudson Bay	5053 507g 171g 1654 171g 251g 251g 251g 251g 4714 471g 471g 4714 481n 491g 501g	Niag. Mohawk	Squibb Standard Sn 434 81512 8161 Std O'il Clifo Std O'il Clifo Std Oil India	ands 271g   2634 ands 271g   2634 ant. 27   2614 ornia 8234   841g	I to \$781 and U.S. Stee Exxon shed 1 to 3 Texaco 1 to \$371, Sup- to \$205, Marathon Oil Mobil 1 to \$631 and U	el 1 to \$297. 6691, active erior OII \$3 I 1 to \$551,	C\$431, up 31. I gained 1 to C\$51. Hong Kon	B.C. Resources	torium on lift this m cancelled l of Govern	new issues. But light have given to by the announcem ment intentions	was anot to for	entage points cut in Dig mum Lending Rate ma ther reduction in the U.S. ne rate and stronger demand Australian shares in Lendon
Am. Motors	Detra Air 70 Den'nys 26	451 <sub>8</sub> Hughes Tool 70 257 <sub>8</sub> Humana Husky (Oi) Hutton (EF):	763g   7934   353;   34   13   131g   271g   274g   274g	Nth. Am./Philips 43 Nthn. State Pwr. 211, 1 Northgate Exp. 678 Northrop 4478	1212 2254 Stanley Wks. 354 Stanley Wks. 354 Starling Dru Sterling Dru Stervens (JP). Stokley Van	551e 551e 18 177s em 241e 241e 9 217e 213e	California i to \$371, A however, jumped 3i could not explain th traders cited take-over tion.	shland Oil, to \$37. It is the rise but is er specula-	News of the H Shanghai Banki rights offer, the fund raising ven market has seen.	ing's HK\$2bn biggest ever ture the local	officials an disclose the dealings. The a general to	and force comp d big shareholders eir holdings and ti The plans are part ightening and tidy	to indentification to the second to the seco	Australian All Ordinaries and ded 10.1 at 667.3: The Gold Bullion price d by what the market peres as an aggressive foreign
Am. Tel & Tel	Diamond Inti 34 Diamond Shamk 314 DiGiorgio 958 Digital Equip 8278	1578   IC Inds	40 4058 163: 17 Id 244 2478 43: 43: 43:	Nwest Bancorp. 30½ Nwest Inda	Sun Co	411 <sub>8</sub> 405 <sub>8</sub> 181 <sub>4</sub> 195 <sub>8</sub> 50 501 <sub>4</sub> 208 212 75 31 313 <sub>8</sub> 627 <sub>8</sub> 625 <sub>8</sub>	Schlumberger decli \$100} and Halliburton In the Defence gro slipped { to \$67, Rays	ined 1 to 1 to 2 to \$731. to bup, Litton 1 to	Kong stock mark terday, writes Ke Hong Kong. The Hang Ser more than 100	et reeling yes- vin Rafferty in ng index lost			ock Mini Cent	cy by President Reagan Golding shares scored good gains, tral Norseman rose 50 cents to A\$7.50. GMC 80 cents to .70, Poseidon 55 cents to
Anheuser-Bh	Disney (Wait) 581g Dome Mines 5414 Donnelley (RR) 545e Dover Corp 59 Dow Chemical 365s	221s INCO	205g 205g 205g 205g 205g 205g 205g 205g	Occidental Pet. 2954 2 3758 3758 Ogilvy & Mrth 2634 2 Ohio Edison 12 1 Olin 2249 2	934 Taft	2778 2778 2778 351g 3514 351g 3514 351g 15178	\$92. Teledyne 1 McDonnell Douglas † Lockheed { to \$26 IBM dipped { to \$ well 2} to \$100, Rolm	to \$461 and 1 662. Honey- 1 14 to \$36	opening calls wit Banking being a for selling. At bank's shares fo	th Hong Kong prime target one point the ell to HK\$18	A contintives and f some Blue mainly	uing fall in speci urther profit-taking Chips left the mar lower, but Li	ula- A\$4, in El ket clim ght West	70 and Emperor 50 cents to 45. sewhere in Minings Missished 15 cents more to A\$4.15, tern Mining 21 cents to
Asarco 87½ 37½ Ashland Oil 3359 58¼ Assd D Goods 2678 2678 Attantic Rich 54¼ 6434 Auto-Data Pro 5034 5134	Du Pont	int Paper	191 <sub>2</sub> 195 <sub>6</sub> 197 <sub>8</sub> 191 <sub>8</sub> Top 1034 1034 485 <sub>8</sub> 477 <sub>8</sub>	Onsck	91 <sub>2</sub>   Texas Easter	378 376 LEK. 326 334 m 554 56	and National Semicon \$271. Penderosa System \$111. It is expected to drop in fiscal year pro	lost \$1 to to report a softs.	From the previ HK\$21. At that stage, the that the bearish send the index cr	nere were fears mood might ashing towards	strength or The Nikb shed 14.5	displayed renev of foreign buying. — tei-Dow Jones Aver 4 to 7,044.87 a otpaced gains on	age dipp	36 and Parconfinental, 20 s to A\$10.80. However, E2 sed 10 cents to A\$290 after ouncing a one-for-four rights to raise A\$50ml.
Avery Intl	Easco	Int. Tel & Tel Iowa Beef 1858 Big James (FS) Jeffn-Pilot	2978 2914 4854 4878 48 48 2334 2318 2668 2618	Pac. Gas & Elect 2014 2 Pac. Lighting 2158 2	Texas Gas Tr 9 Texas Instru 64 Texas Oil & C 14 Texas 'Utiliti 184 Texasguif Textron Thormo Elec	107 10712 Gas. 36te 361e 1654 1658 4912 4918 29 2834	Macmillan Bloede \$3½ to \$36½ on the Exchange and \$3½ to the Toronto Exchan Columbia Resources	New York C\$481 On ge. British is bidding	the 1,000 mark. Bend of the morning ions stepped in the purchases, andex to 1,295.44	ng, the institu- to make some lifting the for a fall on	236 after a 200m share Sony, aft	et section by 407 mother light trade es (180m) er advancing on W might, gained Y90	of A\$13	HP moved ahead 60 cents to 330, Woodside Petrolema 12 s to A\$2.50 and Strata Oil ents to A\$3.80.
Bair. Gas & El	Eastman Kodak 7918   533   544   5234   5234   5234	Jewel Cos Jim Walter Johns Marvi Johnson Con Johnson & Jr Johnstin Log	264g 264g 264g 211g 211g 211g 211g 211g 211g 211g 21	Pah Am Air	234 Thomas Bett 978 Tidewater 434 Tiger Intl 1 Time Inc 1012 Times Mirror 114 Timken	3 4654 4654 44 4478 2015 2018 6134 6036	for 29 per cent of Bloe THE AMERICAN S Value Index was 0 336.27 at 1 p.m. Voluments shares (3.81m).	del. E Market ! ff 0.67 at !	the day of 75.98.  was closed in the  Wednesday remain  for trading.  Total turnover	e afternoon, as ins a half day	Y3,690, whi Electricals, Y90 to Y Y4,010 and	lle elsewhere in Li Pioneer moved aho 3,150; TDK Y90 Victor Y50 to Y2,8	ght Jo to Go 50. quie	hannesburg old shares generally eased in t trading as the Bullion price
Barry Wright 1912 1934 Bausch & Lomb . 471g 4814 Baxt Trav Lab 55 537g Beckman instr 347g 351g Beker inds 1512 Bell & Howell 244g 244e	EI Paso	2514 Jostens Joy Mfg K. Mart Kalser Alum . Kalser Steel . Kaneb Service	5478 5514 1818 1814 2314 23	Реаросу Intl 81g Реппеу JR 271g 2 Реппуwalt 287g 2 Реппхой 391g 3	814 71s Tip perary 87s Tonka 934 Total Pet 7ransamerio	31½ 30½ 2078 18 18½ 24½ 24¾	Closing prices fo America were not : for this edition	r North e available o	exchanges came to exceeding the full of HK\$348.29m Fuesday.	o HK\$431.19m, I day's trading	and Textile	structions, Olls, For es generally declin	ods R2 to ed, Dia to 28 co	ined. FS Geduld receded to R48. amond issue De Beers fell ents to R9.00 following the sal results.
Bell Industries 1114 1114 1114 15912 Benificial 2013 2013 Beth Steel 2858 2858 168 668 668 668	Esmark 5934 Ethyl 33	497g Kaufman Brd 1684 Kay Corp 50 Kellogg 525g Kennecott C Kennametal 421g Kerr-McGee.	1314 1319 2038 2039 2258 2258 7 2578 2612 2934 3114	Petrie Stores 3034   3 Petrolane	758 Transway 759 Trans World, 1 Travelers 31s Tricentral 214 Tr Continent	271 2712 2032 2114 4458 4418 1259 1234 2078 2058	CANADA Stock Mar. 10	Mar.	Frs. —		Price + a	Mar. 11 Au	rice 十 0 ) st. 5 —	Yen: —
Black & Decker 1919 1878 Block HR 5114 5112 Blue Bell 2928 2878 Boeing 3514 3578 Boise Cascade 3914 3878 Borden 2774 2734	Excon	6973 Kidde	45. 45 45 45 45 45 45 45 45 45 45 45 45 45	Philip Morris	214 Triton Oil Ga 20th Cent. Fi 85e Tyler UMC Inds	0X 6512 6414 2358 2378 2418 2478 1012 1012 288 1258 13	Alcan Alumin 43 Algoma Steel 46 Asbestos 3212	Royals Be 123 <sub>8</sub> Soc Gen! 421 <sub>4</sub> Soc Gen! 451 <sub>8</sub> Sofina Solvay 301 <sub>2</sub> Traction	elge 4,170 Beng. 2,205 Belge 1,252 2,610 2,280 +25	Ahold AKZO ABN AMEV AMEV	72.5	Acrow Aust 1 Alistate Expl 1 Ampol Pet 1 Assoc. Pulp Pap. 2 Audimo. 0 Aust. Cons. Ind 2	.78 +0.05 .30 +0.01 .04 +0.04	4   Marubeni   370
Borge-Warner 4034 4034 Braniff Intl 414 418 Briggs Stratn 8234 23 Bristol-Myers 554 5514 BP 5514 3578 Brockway Glass 1618 1518 Brown Forman B 5814 5838	Fieldcrest Mi 3414 Firestone	1036 Kroehler 2256 Kroger 5516 Live 5516 Lanier Bas. P. 3414 Lear-Siegler.	264a 254a 224a 231a 0d. 4134 423a 364a 3644	Planning Rach 634 8 Plassey 684 8 Polaroid 2614 8 Potlatch 4314 4 Prantice-Hall 24 Procter Gamble, 7214 7	654 Union Camp. 8 Union Carbid 75s Union Carbid 414 Union Oli Ca 214 Union Pacifi	6478 5474 16 59 5889 16 59 5889 16 914 914	Bk Nova Scotla   3014	1078 UCB Union Mil Vieille Mo 1878 DENMA	1,280 +40 niere 704 +2 ont 1,014	Bos KalisBuehrmann-Tet. Caland Hidgs Elsevier	79.8 56.1 0.1	Aust, Nat, Inds	.61 +0.01 .25 -0.05 .40 +0.0 .10 -0.05	Marul 891 4 Matsushita 914 +3 M'ta Elec Works 555 -3 M'bishi Bank 480 M bishi Corp 653
Brown Grp	lst Bank System. 4214 lst Charter Fin 444 lst Chicago	Levi Strausa. Levitz Furntr Libby Owens Lilly (EI)	ns. 32   321 <sub>8</sub>   345 <sub>6</sub>   345 <sub>6</sub>   463 <sub>4</sub>   463 <sub>4</sub>   463 <sub>4</sub>   463 <sub>6</sub>   1625 <sub>6</sub>   625 <sub>6</sub>   625 <sub>6</sub>   625 <sub>6</sub>   625 <sub>6</sub>	Pub. Serv. E & G.   177s   1 Pub. S. Indiana   19   1 Purex   1914   1 Purolator   4412   2uaker Oats   3214   3	756   Unitoyal Untd Brands 9   Utd. Energy 9   US Fidelity G 654   US Filter 273   US Gypsum	7 145e 145e Res. 4134 421g 397g 593g 321g 323g 345g 3434	Brinco	1458 Baitica Si	nken129.6 kand366,4 —2.0	Hunter Douglas	56 -0.3 17.5 -0.2 11.8	Bi ville Copper 1 Brambles Inda. 3 Bridge Oil 6 BHP 15	.35   ÷0.61	M'bishi Ri East 399
Bucyrus-Erie 22 225g Burlington Nrhn. 623g 644 Burlington Nrhn. 623g 644 Burndy 364g 544g Burrougha. 504 511g CBI Inda. 53 541g	1st ini Banc	53 Lincoln Nat	6734 6918 2734 2836 8118 8214 8214 8214 8618 3618 3614	Quanex     55       Questor     71n       RCA     28½       Raiston Purina     11¼       Rank Org     ADR       Raytheon     95½       95½     95½	71a US inds 1 US Shoe	1018 1058 3378 3578 3018 3034 2659 2678	Can Packers	D. Sukker Danske B 2018 East Asia Finansbar 5034 Forenede	elsbank 132 fab. 374,8 ank. 127 the130,4 nken. 175,2 the175,2	Ned Cred Bank.	21.1 +0.6 125 +0.5 44.7 -0.5 167 -0.5 115.5 +0.3	Cariton & Utd 2. Castlemaine Tys. 3. Cluff Oil (Aust) 0. Do. Opts 0.	44 +0.06 15 +0.05 55 +0.85	Nippon Galki 885 88 Nippon Galki 885 88 Nippon Meat 460 18 Nippon Oll 1420 48 Nippon Shinpan 330 328 Nippon Steel 145 8
CBS	Florida Pwr & L 2458 Ford Motor 2134 Foremost Mok 3218 Foster Wheeler 2159 Foxboro 5212	1978 241 <sub>2</sub> Louisiana Pa Lowenstein 323 <sub>4</sub> Lucky Strs 521 <sub>2</sub> MCA	263a 2614 1612 1614 607a 633a 1534 1534 4734 4934	Reading Bates	2 <sup>1</sup> 2 Utd. Technol 0 <sup>1</sup> 2 Utd. Telecor 6 <sup>5</sup> 4 Upjohn 6 <sup>3</sup> 4 VF 0 Varian Assoc	gs 545g 547g nms 155g 157g 671g 661g 33 33 ss 241g 241g	Con Pacific 4378	9348 2318 GNT Hidg Nord Kab 8 Novo Ind. Papirfabr Privatbar	205  ei 174,6   +3,6  856   +26  ikker 103  iken 135,6		32  +0.4 37.5 +0.5   18.1-0.1   56.1-1.4   219 -1.8	Coles (G.J.) 2. Comaico 5. Cons Gold 7. Containers 3. Costain 3.	45 +0.02 20 +0.08	Mippon Sulsan   215
Canal Randolph. 2634 2804 Can. Pacific 3612 3612 Carlisle Corp 8714 8634 Carnation 2714 2712 Carp Tech 44 444	Freeport Mint. 654	2734   MacMilian 87   Madison Fun 3814   Mapco Marathon Oli		Resch Cottrell 1612 1 Resort Int A 275g 2 Revco (DS) 331g 3 Revere Copper 193g 1	814 518 Virginia EP 876 Vuican Matri 518 Walker (HM) 988 Wallace Mun 234 Wal-Mart Sto	11   103 <sub>4</sub> is 41   4078 C.H. 221 <sub>6</sub>   925 <sub>5</sub> ray 471 <sub>2</sub>   475 <sub>8</sub>	Coseka Res 1954 Costain	2576   Smidth (F 1952   S. Berend 1014   Superios 1014	sen621.6	Rollinco	213.5 - 1.5 123.6 + 0.5 97.1 - 2.7 140	Duniop	18 0.81 40 63 +0.93 53 0.81 05 +0.18 30 0.18	Nomura 358 NYK 280 1 Olympus 1,250 30 Orient 1,040 2 Piopeer 5,150 490 Renown 690 4 Ricoh 511 42
Carter Hawley 187g 187g Caterpiller 557g 64 Celanese Corp 55 551g 5514 Central & Sw 13 125g 153g	Gelco	4914 Marine Mid. 4178 Marriott 2176 Marsh McLer Marshell Fiel 31 Martin Mits.	17½ 17¾ 17¾ 17¾ 17¾ 17¾ 17¾ 17¾ 17¾ 17¾ 17¾	Rexnord	67g Warnaco 43g Warner Come 3 Warner-Lam 21g Washington I 91g Waste Mangt	ms. 411g 413g bt 2014 2036 Post 235g 24	Dome Petroleum, 77 e   100m bridge	225 <sub>4</sub> Mar.	. 1	VMF Stork	144.2 — 1.8 29.8 + 0.2 73.2 21.6 + 1.6	Hooker 1. ICI Aust 2. Jennings 1. Jimberlana 25c 0. Jones (D): Kia Ore Gold 0.	88 +0.01 25 +0.03 40 +0.02 86 53 -0.04 30 +0.86	Sanyo Siect
Central Tel Util	Gen Electric 6714 Gen Foods 3414 Gen Instrument. 8314 Gen Mills 3012 Gen Motors 5114	3556 Maryland Cu 6714 Mesco. 3378 Massey-Fergi 9436 Mass Multi Co 9524 Mattel. 2524 May Dept Str May Dept Str	323, 531 <sub>2</sub> 37 367 <sub>8</sub> 37 <sub>6</sub> 37 <sub>6</sub> rp. 145 <sub>2</sub> 141 <sub>8</sub> 93 <sub>8</sub> 10	Robins (AH) 11 is   1 Rochester Gas 12 is   1 Rockwell Intl 36 is   3	Wells Fargo  W. Point Pepp Western Airlin Western Banc Westn, Nth. A Westlinghous	26 2618 pi 45 4454 nes. 858 812 orp. 37 5058 a 49 5058	Falcon Nickel	Emprunt   CNE 8%   CNE 8%	7% 1876. 7,680 +47 3 0083 ccid 521 +18 8 491.1 -7.9	Mar. 10	Price + cr	Meekatharra Ms 7. Meridian Oil 0. Monarch Pet 0. Myer Emp 1.	16 +0.15 3 -0.01 46	Stainley   512   2   3   5   5   5   5   5   5   5   5   5
Chase Manhatt'n 467g 4714 Chemical NY 5054 497g Cheese Pond 5256 Chicago Pneum 554 Chrysler 556 Chubb 4412 45	Gen Pub Utilities 454 Gen Signal 444, 4 Gen Telep Elec 2612	456 441g 261e Maytag 66e McDermott McDonald's McDonnell Do	2614 ) 2615 1314   1356 IR), 3612   37	Royal Crown	91g 534 Wheelabratr 854 Wheeling Pitt Whiripool	F 544   354 F 544   554 ts 264   264 235   224	do. Oil & Gas 215g 2	Bang' Roti 507g Bouygues 5 BSN Gerva 22 Cerrefour, 57g Club Medi	663m — 26 ds 1,233 +201 1,780 — 10 ter 420 — 4	'Assicur Gen Banca Com'ie Bastogi Fin Centrale	11.5 52,100 +2,100 74,300 + 1810 720,25 + 9,00 52,000 + 2000	News 3. Nicholas Int. 1. North Bkn Hill. 3. Cakbridge 2.	30	TDK
Cincinnati Mil 5612   364g Cilticorp 2214   225g Cities Service 481g   49 City Invests 25   251g Clark Equipment 3714   367g	Georgia Pac 2814 Geosource 5518 Gerber Prod. 2614	McDonough McGraw Edis 2854 McGraw-Hill McGraw-Hill McLean Truc Mead	441 <sub>2</sub> 441 <sub>2</sub> 391 <sub>8</sub> 391 <sub>8</sub> 443 <sub>6</sub> 443 <sub>6</sub> 443 <sub>6</sub> 443 <sub>6</sub> 443 <sub>6</sub> 383 <sub>4</sub> 287 <sub>8</sub> 345 <sub>6</sub> 543 <sub>4</sub> 543 <sub>6</sub>	Ryan Homes     231g       Ryder System     31       SFN Compenies     251g       SFS Technol gies     313g       Safeto     363g       363g     3	White Consol 54. White Motor Whittaker Wickes Yu Williams Co Winn-Dixie St	316 314 373, 3816 1412 1419	IAC	CGE	396,5 + 1.5 nson) 375 - 3 lre 350,5	Credito Varesino Fiat	2,390 + 10 89,75;+0,25 4,680 +55	Pan Papific	23 +0.81 40 35 +0.02 50	Tokyo Gas
Cleve Cliffs Iron.   5734   3714   115a   12   12   115a   12   115a   12   115a   12   115a   154   154   154   154   154   154   1614	Giddings Lewis 385s Gilette 2834 Gilette 555s Goodrich (BF) 26 Goodyear Tire 267s 267s	587s Meditronic 883s Mellon Nati 555s Melville 257s Memorex 183s Mercantile St 873s Merck	311 <sub>2</sub> 311 <sub>3</sub> 43 423 <sub>4</sub> 113 <sub>6</sub> 12 351 <sub>4</sub> 351 <sub>4</sub> 351 <sub>4</sub> 85 65	10	Wisc Elec Pot Woolworth  Wisc Elec Pot Woolworth  Wisc Elec Pot Woolworth  Wisc Elec Pot Woolworth  Xerox  Xerox  Yellow Frt Sy	Wer 211g 207g 243g 243g 3434 354 115g 111g 5554 564 184 187g	McIntyre Mines. 6114 6	Dumez Ferodo St. GenOccid	225,9 +0.9 32.5 -0.2 935 -15 277 +1	Olivetti Pirelli Co	4,211+36 4,920+160 1,870,—28 1,510,	Southland M'1'g. 0.t Spargos Expi 0.4 Thos Natwide 2.t Tooth 2.t Utah Mining 3.2 Valian Consdt 0.s	58 +0.05 18 +0.05 55 +0.06 50 +0.05 26 +0.01	
Colfins Alkman 91g 91g Colf Inds 5114	Grainger (WW) 351s	60 <sup>1</sup> s Meredith 35 Merrill Lynch.		lexon Inds 57g Ichering Plough 343,   3	Zapata	291 <sub>2</sub>   291 <sub>4</sub>   167 <sub>6</sub>   17	Mital Corp	imstal 112 Lafarga, 112 Legrand Machines i Matra 5a Michelin B	Bull 58 -0.7	do. Pref	38,100i + 1300	Western Mining 4.8 Western Mining 4.8 Woodside Petrol 2.6 Woolworths 1.9 Wormald Intl. 4.8	10 36 +0.21 50 +0.12	SINGAPORE  Mar. 11 Price + or
NEW YORK	ndices	1 Since Crapit's		Mar. Mar. Mar.	Mar. 1	980/B1 Low	Oakwood Pst   1914   1 Omni	818 Moet-Henn .45 Moulinex .70 Paribas 8 Pechiney 5 Pernod Ric 31s Perrier	82 +1 250 +5 100.9 -0.6 27 -0.5 169 -0.9	Bergens Bank Borregaard Creditbank	Price + or Kroner	Cheung Kong 28.	.5 -1.40	Boustead Bird. 8.85 -0.55 Cold Storage 4.8 -0.1 DBS 7.60 -0.65 Fraser & Neave 5 -0.66 Haw Par 5.54 -0.66 Inchoape Bhd 3.78 -0.94
♦Industr'i s 972.68 975.42 984.62 96	4.82.971.44.988.02 [1004.58 75] (6/1/81) (21 2.15 82.14/61.95 75,67 80	.96 - 1 -	AUSTRALIA All Ord. (1/1/80) Metal & Minris. ( AUSTRIA	1/1/80) 587.3 857.2 855.2 589.5 576.4 588.2	847.1 746.2 (17/11) 558.2 818.8 (17/11)	589.1 (5/1/88) ) 492.5 (28/6)	Rio Algom 3314 3	214 Rhone-Pou 219 Roussel-Uc	196   +15.9 232   232   536   -4 lenc 93   -1 laf 203   +1	Kosmoz Kosmoz Horak Hydro Storebrand	79 —1 455 — 453 —4.50 162,5 ————	HK Kowloon Wh. 7. HK Land 10. HK Shanghai Bk 19	.5 .65- .850.45 .60.50 .00.6	Malay Banking 17.5 Malay Brew 14.8 -0.40 Sime Darby 4.04 -0.06 Strakts Trdg 18.9 -0.78 UOS -0.15
Transport 495.81 495.45 405.75 494 Utilities 109.88 108.51 189.11 108 Trading Vol 000'st 56,818 46,184 45,940,45	3, 15 109, 57 199, 96   (22/11)   (21 (5/1/51)   (21	(72) 8.69 7.63 (28/11/80) (87/62) (28/11/80) (87/62) (28/4/89) (28/4/89)	Gredit Aktien (2/1 BELGIUM Belgian SE (51/12) DENMARK	65) 82,24 82,85 82,91	85,25 69,40 (7/1/80) 85,05 105,75 (11/2/8	82,24 (11/6/81)	Royal Trustoo A. 2072   2 Sceptre Res.   15   10 Scapram   5514   56 Snell can Oll   2418   24 Steel of Can A.   3634   36	Skis Rossig	136.8 -0.7 prol. 525 -15 368 Elect. 1,202 Brandt 225 -3	AGA	Price + or Kroner -	HK Telephone	2 -0.70 7 -0.50 0 -1.60 5 2 -0.85	SOUTH AFRICA  Mar. 11 Price + or Rand
eDay's high 987.60 low 968.47		Year ago (approx	Copenhagen SE ( FRANCE. CAC General (29/1 Ind Tendance (5) GERMANY	2/61) 111.7 111.8 111.9	107,93 168,70 (11/5// 116.8 120.5 (5/11) 105.7 794,8 (9/5/81)	57.1 (6/1/80)	Transcan Pipe 27 21	554 114 514 7 858 AEG-Telef	1 Price + or Dm	Alfa-Laval ASEA ASEA Atlas Gopco Bofors Cellulosa Electrolux Ericsson	157 103 99 +1 249 +11 165 102	Wheel'k Maritl'e 5.3	5 -0.46 0	Abercom 3.50 4.6 4.6 4.6 4.6 4.6 4.6 4.6 4.6 4.6 4.6
STANDARD AND POORS	Mar. Mar. Mar.	· · · · · · · · · · · · · · · · · · ·	FAZ-Aktien (61/12 Commerzbank(Da HOLLAND ANP-CBS General ANP-CBS Indust	(1878) 88.4 87.2 87.2	216.5 258.89 (25/2/8 568.7 749.2 (25/2/88 87.3 90.5 (26/2/8) 64.8 68.2 (11/1/88	) 658.4 (18/2/81) 1) 74.8 (27/8)	Walker(Hrm)C.H. 26%   21	BASE	127.2 +0.2 112.2 +0.2 190 +1 191 +1 191 +1	Fagerata Mo och Dom Saab-Skania Sandvik Skandia	98   +2 165   -2 119   +2 219   -1 335   +5	Mar. 11 Pric Ye Alinomoto	4 +8 5 -5 3 +10	Currie Finance
Gomposite 180.48 181.12 129,55	128,85 150,86 158,56 140,52 (28/11) 12	111.08 160.96 8.52 (27/7) (28/11/60/60/6/32 98.22 148.82 4.40 5/2/68 (28/11/60 (1/6/62	ITALY	81/7/64) 1295,44 1571,42 1547.86 IJ (1972) 250,50 228,98 232,19	<del></del> -		AUSTRIA	Brown Boy Commerzb Conti Gump Dalmier Be Degussa Demasa	ank 241.5 ank 133.5 -0.5 mi 60.6 +0.1 272	Vddeholm	171 -2 122 +4 261 +1 76.50 +3 109 -1 58 +1.50	Bridgestone 450 Canon 820 Citizen 650 Dalel 650 DKBO 450 Dal Nippon Ptg 897 Dal Way House 287	-7 -8 -8 +16 +16 7 +2 7	Huletts 6.40 +0.16 Kloc* 52.75 -0.59 Nedbank 532 +0.18 OK. Bazaars 17.10 +0.58 Protea Hidgs 2.95 Aembrant 6.70 +0.56
Ind. div. yield %         4.6           Ind. P/E Ratio         9.2           Long Gov. Bond Yield         12.6	9,11 9,11	5,14 7,95 12,32	JAPAN Dow Average (18/1 Tokyo New SE (4/1	1/68)   509,82 507,17 507,94	509,28  511.94 (2/2/81)	)   442,01 (19/8)   	Mar. 11 Price + X - Creditanstait	Or D'sche Bah Deutsche B DU Schult Dresdner B Dyck Zeme	289.6 +0.3 289.6 +0.3 143 +2.5 281. 122 +3 179	SWITZERLAND	1. ***	Dalwa Selko 370 Ebara 396 Eisai 1100 Fuji Bank 470 Fuji Film 1146 Fujisawa 900 Fujitsu Fanuc 5480	-7 +4 -10 +10 5 -2 7	Rust Plat 5.30 -0.18 Ruse Hidge 2.30 Ruse Flat 5.78 Rust CG Sugar 16.60 Ruse 1.9 Rust 17 +0.15
N.Y.S.E. ALL COMMON  1980  Mar. Mar. Mar. Mar. High	Low Rises	710 948 783	Oslo SE (1/1/12) SINGAPORE Straits Times (188) SOUTH AFRICA Gold (1858)	<del></del>	<del></del> -	429.75 (6/1/80)	Semperit	Hoechst Hoezmann ( Horton Kall und Sa	d 65.9 +2.4 115.9 -0.7 26.8 -0.5 P) 385 +3 155 -3 dz 218.5 -0.7	Mar. 11 Alusuisse	Price -	Green Cross	+10 -2 F	Insec
74.73 75.09 74.46 74.51 81.02 (28)11)   (28)11)   MONTREAL   Mar.   M	1 1	1980/81	Industrial (1958)  SPAIN  Madrid SE (60/12/8  SWEDEN	a) 118,98 112,98 (o)	111.57 114.25 (17/2/81 475.95 485.20 (11/5/61	  }   100.5 (50/12/80	BELGIUM/LUXEMBOURG	KHD, Klosckner. Krupp Linde Luithansa	57 -0.5 ·	Hoff-Roche 1/10.	2,400 -10 720 2,750 7,950 +25 5,780 +880	Hitachi 337 Hitachi Koki 590 Honda 538 House Food 1,030 Hoya 830 tich (G) 383 tich (G) 1110 JACCS 698 JAI 2,450	10 B	Mar. 11 Price + or Cruz
Combined 545,87 54		(10) 298.98 (27/5)	Jacobson & P. (1/1 SWITZERLAND Swiss BankCpn.(6 WORLD Capital Intl. (1/1/17)	1/12/66) (u) 298.4 (u)	294,8 817,9 (17/2/84	275.0 (28/8)	Cockeril 160 +	MAN,	126.6 —0.8 lig 255.5 +0.5	Landis & Gyr	1,435 —95 8,025 —5 2,415 +20 245 +2 3,975	700 (ajima 297 (Cao Soap 515 (Cao Soap 710 (	-3   14 +12   Pi -3   Pi -3   Sc	20cc ftsu 1.57 elgo, Min. 2.70 —0.18 elgo, Min. 2.70 —0.18 elgo, Min. 3.02 etrobras PP 2.70 —0.12 etrobras PP 2.70 —0.12 etrobras PP 2.70 —0.12 etrobras PP 2.70 —0.12 etrobras PP 2.70 —0.57 etrobras PP 2.70 —0.57 etrobras PP 2.70 —0.57 etrobras PP 2.70 —0.57
Tuesday Stocks Closing traded price Sony	day t + 4 St. Joe Minerals 6  -2 Sears Roebuck 5	Change Stocks Closing on raded price day 03,900 30% + 2% 37,800 16% - 3	Bese values of	of all indices are 100 except common—50; Standard and d en 1975. † Excluding 10 Utilities. 40 Financials	Australia Ali Ordina	ary and Metals—	Electrobel	Rhein West Rosenthal Schering Siamen Thyssen	250.7 +0.5 251.5 +0.5 250.7 -1.1 74 +0.5 167.8 +2.8	Sandoz (Pt Cts) Schindler (Pt C's) Swissair	493 +8 263 -2 677 -3 369 +1 6,975	Kokuyo	-2 T	over Cr.432.4m. Vol. 159.5m. Spurge: Rio de Janeiro SE.
Amer. Airlines 754,000 14 Amex 734,000 535 Du Pont 613,100 492	— fluor 4	98,500 47½ — ½ 84,700 82½ — ½	Industrials plus	Utilities, 40 Financials		<b>V</b>	intercom	16   Yeba	124,6 -0.5 285 154,2 +1,6		3.600 . + 10	ngrinding exchanges a puspended. ad Ex divi	dend. xc j	Existed prices s Desires Ex scrip leave, as Ex sights
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#### Call to end egg conflict

BRITAIN'S EGG producers were last night urged to end the internal conflict which had bedevilled their industry in re-Cent years.

Speaking at the annual dinner of the London Egg Exil change, Sir Guy Lawrence, chairman of the Eggs Authority, which has come under strong 25 attack from some quarters, said disagreements between organisations representing large and small egg-producers had been a formidable obstacle to progress. The industry needed a single authoritative voice to help it cope with current difficult circumstances. UK production was falling while producers in all ather EEC countries were stepping up output. If that trend continued, Britain would be-come increasingly an importer of eggs. Sir Guy warned.

Once the home market had been lost it would be costly. and perhaps impossible, to win

Consultations on the formation of an Egg Industry Council, to act as an umbrella organisation for all representative bodies, had already started. Sir Guy said. If the talks were suc-Excessful the industry as a whole could look forward to the future. with greater confidence.

The Eggs Authority chair-man said the UK industry's problems did not result from inefficiency, but from circumstances created by governments. Continental producers benefited from preferential interest rates, grants, lower taxation and other fiscal devices.

#### Soviet grain outlook fair

WASHINGTON-The Soviet Union, seeking recovery from two consecutive poor harvests, should get at least average winter grain yields this year if favourable weather continues, the U.S. Agriculture Department said this week. The Department's foreign

agricultural: service also said conditions in the European section of the Soviet Union, where more than half its springplanted coarse grains are grown, indicate a fairly good

early season outlook. But even if the relatively favourable growing conditions persist through the year, it was unlikely the USSR would be able to meet its 1981 production target of 236m metric tons. nearly 47m tons more than the 1980 harvest, the USDA said.

## U.S. plans to increase stockpile silver sales

BY JOHN EDWARDS, COMMODITIES EDITOR

THE U.S. Budget announcement that the Reagan Administ to amend the Carter proposal tration plans to accelerate for the sale of surplus stock-sales of excess materials held pile materials put before in the U.S. strategic stockpile, Congress in January to Include especially the silver holding of 139m cunces, failed to make much impact on the London metal markets yesterday.

Silver prices were only marginally down, in spite of the downtrend in gold. The bullion market spot quotation was cut by 19.1p to 529.5p an ounce at the morning fixing. but ended the day slightly higher. Prices of quicksilver and tungsten ore (wolfram) held firm, although these are two metals in surplus supply to the U.S. stockpile In the revised Budget pro-

posals, put forward by the Reagan Administration to amend those proposed by the worth some \$6bn should be speeded up in order to bring in fractionally below funds required to buy night's closing level. materials, where the stockpile holdings are below target.

In particular it is planned buying more. the whole stockpile silver holding of 139m ounces instead of fust 30m ounces.

However, it was noted in Washington that there was considerable opposition in Congress to selling any stockpile silverindeed some Congressmen believe the stockpile should be

At the same time the stockpile authorities have a legal obligation to ensure that any

sales made do not disrupt or distort normal market patterns. As a result efforts so far to silver and wolfram have been none too successful. Tin sales, notably, have been hampered by the U.S. desire not to upset its fellow members of the Inter-

## Copper prices rally

NEWS of a strike by workers Company as saying that the at the giant Cuajone copper labour force of about 1,200 from £815 to £822 a tonne, only Reuter reported officials value from the Southern Peru Copper dollar.

mine in Peru brought a rally in workers at the Cuajone mine copper prices on the London and concentrator have staged a Metal Exchange last night in after hours trading. Most of announced the stoppage only Carter regime, it is planned the earlier losses were wiped lasted for 24 hours, but a 48-that disposals of surplus stock- out, with the three months hour strike is planned for next pile materials, estimated to be wirebars quotation rallying Monday and Tuesday. In early dealings

Tuesday prices were depressed by the decline in gold and the rise in value of sterling against the

## Aluminium stocks rise continues

away from the island.

bauxite.

BY ROY HODSON

WORLD ALUMINIUM producers are worried about the continuing rise in stocks of metal at the smelters and at of the company in a speech duration a fair return for them, said Mr. fabrication plants. All production areas of the non-Com-munist world are suffering.

The International Primary Aluminium Institute reported in London yesterday that stocks of primary metal reached 2.25m tonnes in January compared with 2.09m tonnes the previous month. Primary stocks have risen from under 1.4m tonnes in the last 10 months.

Meanwhile Reuter reported from Tokyo that Japan's stock-pile of primary aluminium administered by the Japan Light Metal Association is to be increased by a further 7,000 tonnes of metal made by Japanese smelters. The stockpile will then total nearly 22,000 tonnes

Jamaica is to have a much diminished role in the aluminium expansion plans of Alcoa, the leading producer, partly because of the island's local levy upon bauxite produc-tion. In future the group's tion. main target areas for investment will be Australia and Brazil.

ing his current visit to Jamaica. Renner. He added "There is a Mr. Renner said the island fine line between fair return was not now a priority area for and a return that causes someinvestment by his company. The one to go elsewhere. We had new capital that Alcoa had to go where we could get available was being reserved for bauxite at a price at which we could continue to grow as a energy-rich nations, in par-ticular Australia with ample company." coal deposits, and Brazil where The Prime Minister of Jamaica, Mr. Edward Seaga, there is a massive hydro-electric

power potential. He did not disrecently attempted to persuade however, that the the bauxite companies to put Jamaican bauxite levy had more money into Jamaican been an important factor in operations. Other aluminium the shift of Alcoa's interest companies are expected to follow Alcoa's lead in refusing to expand on the island while the bauxite levy remains in The former Michael Manley government introduced the bauxite levy in 1974 and required aluminium companies force,

extracting bauxite on the island biggest alumina units in the world. Queensland Alumina to pay the government 7.5 per cent of their average realised plans to increase capacity at its price charged for aluminium Gladstone plant by 15 per cent ingot made from the Jamaican to 2.7m tonnes a year. The £100m new investment will The levy was eased to some begin production in the first half extent two years ago by the introduction of a series of of 1983. Partners in Queensland Alumina include Pechiney, bench-mark production figures Alcan, Comalco, and Kaiser.

#### **Support** buying lifts potatoes

By Our Commodities Staff

POTATO PRICES have strengthened in response to the new Government-backed support buying programme announced last week.

The Potato Marketing Board's latest report shows that farmgate prices rose by up to £5 a tonne and wholesale prices generally by about 10p per 25 kilo sack. But prices received by farmers were still mostly below £50 a tonne as against the £70 the PMB estimates as the average production cost Following the failure of the

buying programme announced last June to lift prices above the £43.94 a tonne guarantee level, a new programme was launched last week under which growers could contract output to the PMB for possible use as animal feed at £44 a tonne for March delivery, £45 for April £47 for May and £49 for June The Board said this had had

the desired result of bringing a better balance to the market Stocks of all potatoes held in Britain at the end of January totalled 2.97m tonnes with 1,300 hectares remaining to be lifted, according to the PMB. A surplus is still expected, but the Board believes this is covered by the 423,000 tonnes contracted under the first buy ing programme,

#### Plea to change tea tax decision By P. C. Mahanti in Calcutta

WEST BENGAL'S Finance Minister has been asked to re-consider his budget decision to levy a Rs 6 per kilo tax on all tea produced in West Bengal gardens not routed through the Calcuta and Siliguri auctions.

The consultative committee of plantation associations, repre senting all Indian plantation interests, argues that if applied to direct consignments of tea for auction in London or other foreign sales, the tax would make the West Bengal tea uncompetitive in overseas mar-

The committee pointed out Australia is to have one of the that if more West Bengal tea were channelled through the Calcutta and Siliguri auctionsabout 50m kilos of a total output of 120m kilos are currently auctioned in West Bengal-then prices would fall under the weight of heavier offerings. This would not benefit the gardens, especially the smaller seriously in need of cash.

#### **WORLD SUGER MARKET**

## Price decline halted

BY OUR COMMODITIES STAFF

RECENT dramatie decline in world sugar prices was halted yesterday after the EEC Commission decided to grant no export licences at its weekly tender.

Having already fallen £67 this year, nearby futures values on the London market slipped further during the morning with the August position reaching £219.50 a tonne at one stage. But the market strengthened significantly following the news from Brussels and by the close August sugar was quoted at £227.675 a tonne, down £2.60

on the day.

Traders said the failure to

grant any export licences was caused by the speed of the fall which appeared to have caught the Commission out. A minimum export levy of 0.065 European currency units was charged on last week's 82,200 tonnes export allocation and in view of the size of the subsequent decline a modest export subsidy had been expected this week. In the event, the Commission simply charged a nil levy.

It was suggested by some traders that the Commission was anxious to avoid the embarrassment of paying subsidies for world market

exports uniess absolutely necessary.

In the final analysis this week's tender result makes no difference to the world sugar supply/demand balance. In the short term it means the world market has less sugar to play with than expected but the the EEC sugar will have to be sold eventually,

The market reaction was seen therefore as based mainly on sentiment, though it was suggested that some prospective buyers may have been forced to close out hedging sales, thereby boosting the

## Australian GATT bid fails

BY BRIJ KHINDARIA IN GENEVA

to the General Agreement on Tariffs and Trade (GATT), the von Verschuer said that the sugar market stability. The world's trade surveillance body. Community feels it has already Community rejected the find-Although most members of fulfilled all its obligations to GATT's decision-taking council Australia and to GATT consupported Australia, the Comcerning Australia's complaint. munity insisted that its policies do not damage the interests of other sugar exporters because current world sugar prices are above the prices supported

When the supported prices rise above world prices, the Community is obliged to refund the difference to sugar expor-ters to persuade them to sell abroad, thus taking excess sugar off internal markets. EEC representative Helmut von Verschuer argued that Austra-lian complaints are irrelevant because such refunds are not currently being paid.

Australia told the council to take a decision calling on the Community to give urgent and further consideration creating pre-established effective limitations to its sugar subsidy system so that it will not again depress world prices nor be a permanent source of uncertainty on world markets." Australia also asked that the Community should list specific measures it will take to create those limits.

The decision finally adopted by the council fell far short of Australia's desires. It said only that the council took "note of the EEC's intention to notify GATT as soon as it adopts new sugar regulations as well as the 1981-82 sugar intervention

In accepting the decision, Mr. Willingness to go along with others, the decision illustrated the On Community's . " conciliatory approach," he added.

The decision, in effect, repredomestically by the Community, sents a step backwards for When the supported prices Australia. At a previous council meeting in December 1980 the Community agreed to continue talks about the possibility of limiting subsidization of sugar exports." This time it has formally ended all sugar by introducing the con-discussions and agreed only to cept of financial co-responsiinformation.

The clash between Australia and the Community is potentive Patrick Donovan touched a sensitive nerve when he said: 'If GATT were to do nothing about our complaint, other contracting parties (mambers of GATT) including Australia would be left at best with a diminished sense of obligation and commitment in the framework of GATT rules." The same point was driven home by Australian Deputy Prime Minister Mr. Doug Anthony in Canberra verterday who said the Community's attitude was a threat to the credibility of

trade disputes." declaring that price refunds producer.

AUSTRALIA has failed to force (support) prices." The council given to Community sugar the Common Market to change will "promptly review the exporters not only hurt the its policy of subsidising sugar situation" as soon as it market shares of other exexports "inspite of an appeal receives that information. but also jeopardised world ings because the panel failed to put a figure on the damage done to the market shares of

> On Australian insistence, GATT created a special working group last November chaired by director general Arthur Dunkel to bring about agreement. But the group offered no conclusions in a long report presented to Tuesday's council meeting.

The Community said it has already changed some elements of its price support policies for provide publicly available bility of producers. Basically, the concept implies that producers are somehow forced to bear financial losses without tially very embarassing for help from Community funds if GATT. Australian represents they over-produce sugar. The Community also said it is keeping a tight rein on domestic sugar prices in spite of general inflation in the general consumer price index.

Australia, backed by Brazil, said the risk of damage to its own export markets remains because the Community has not placed any upper limits on sugar production or price refunds. If world prices fall below domestic - Community foreign markets even

prices in the coming months. the Community will resume refunds to exporters thus help-GATT in handling international ing to push Australian sugar out of A GATT inquiry panel last though Australia is acknowyear supported Australia's case, ledged as a more efficient

May 45.65 (47.65), July 47.25, Aug. 46.52, Feb. 58.60, March 58.40, May — \$10var—March 1179.0 (1203.67), April 1188.0 (1212.51), May — June 1275.0, Aug. 1245.0, Oct. 1275.0, Dec. 1205.0, Feb. —, April 1365.0, June 1395.0, Aug. 1470.0, Oct. 1455.0, April 1545.0, June 1575.0, Aug. Aug. Oct. — Oct.

Jan. 805-806, March 8264, ||Sevabean Meal—March 202:0 (203.7), May 208.7-209.0 (210.3), July 215.5-215.7. Aug. 218.5-219.0. Sept. 221.5-222.0, Oct. 223.0, Dec. 225.5-228.0, Jan. 227.5. March 232.0-2233.0, May —: Soyebean Oil—March 23.60 (23.31), May 24.10-24.15 (23.85), July 24.85-24.90, Aug. 25.15-25.20, Sept. 25.35-25.40, Oct. 25.80, Dec. 28.20, Jan. 26.30-28.35. March 25.87.10-4.

26.35, March 25.95-27.00, May 27.40-

1 Wheat March 12 429-4282, Sept. 427-428 (4294), July 429-4282, Sept. 443-44312, Dec. 463-46312, March 48012, WINNIPEG, March 11.

\$Barley---March 149.00 (148.20), May 151.00 (151.20), July 151.90, Oct. 150.90, Dec. 150.30.

142.75-143.00, July 147.20-147.40, Sept. 149.50, Nev. 149.00, Jan. 145.00, Merch 148.80-148.00, Mey 146.60-147.00, July 147.50-148.00.

#### **BRITISH COMMODITY MARKETS**

BASE METALS

COPPER—Easier on the London Metal Exchange. Forward metal opened at 1924 but fell away to 2815 in the norming Rings as sterling moved up following the Budget. In the afternoon the market held steedy around 2816 before rallying strongly to close the late Karb at 1921 owing to news of a strike at the Cuajons mine in Peru. Turnover: 22,225 tunnes.

COPPER	e.m. Official	+0	p.m. Unofficial	ł
	<b>B</b> .	£	. 2	4
Wirebars Cash 3 months Settlani t	792,5-3 816-7 193	—12 —11 —12	794-5 817,5-8	-7
Cash 5 months Settlem't U.S. Prod	788-9 803-4 789	—16 —17 —16	789-90 804-5 *81:5-85	
			_ !'	_

that in the morning cash wirebers treded at £792.5, 83, three months £816, 16.5, 16, 15.5, 16.5, 16. Cathodes, d at £792.5, 33, tares months 2516, 15.5, 16.5, 16. Cathodes, 2780, 89, three months 2914. Wirebars, three months 2916, 16. 16.5. Attemport: Wirebars, months 5918, 17, 16, 16.5, 16. 7. 15.5, 17, 16.5, 17, 18, 17.5, 18. Kerb:

Wirebars, three months £819, 18.5, 18, 19, 20, 20.5, 21. saw forward metal drift to £6,150 in the morning following hedge selling. In the aftrancon the market moved nar-rowly prior to closing the late Kerb at

26,165	Lawoner:	730 t	onnes.	
- TIN	a.m. Official	+ or	p.m. Unofficia	+0
High Grad Cash 3 months Settlem't Standard Cash	6035-40 5150-5 6040	52.5 50	6160-2	
5 months Settlem,t		-82.5 -50	6160-2	14 

Morning: Standard, cash £8,040, three months £6,155, 60, 55, 50. Kerb: Standard, three months £6,150, 60. Afternoon: Standard, three months £6,165, 70, 65, 60. Kerb: Standard, three months £6,175.

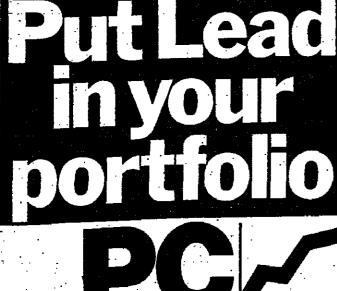
LEAD-Lower again as renew selling ageinst scrap intake prompted a decline from £330 on the early premarket to a day's low of £325. Good support at the lower levels coupled with demand for cash material lifted

August Sugar 227.0-228.8 I.G. Index. Tel. 01-622 9192. Our clients speculate, free of tax, in very small to very large amounts. on:

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Oil Index

Telex: 894756 CORAL INDEX: Close 466-471 (-11) Refined May '81 \$42.20 Refined April '81 \$42.00 Crude April '83 \$43.30 Refined June '81 \$42.00



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£ 321-2 -7.75 519-20 -8.75 327.5-8 -7.8

327-8 322 ...... \*34 Morning: Cash 32, 21.5, three months 6326, 26.5, 27, 28.5, 27, 28, 27.5, 27, 28, Kerb: Three months 6328, 27.5, 27, Afternoon: Three months 6327, 27.5, 29, 28.5, 27, 27.5, 27.

ZINC—Little changed in quiet trading with forward metal assing to £343.5 before rising to £345 on speculative buying in the amorning Rings. However, lack of follow-through in the afternoon parad three months to £345 by the close of the late Kerb. Turnover:

6,350 ton:				
ZINC	a.m. Official	<b>+</b> or	p.m. Unoffic'l	+
Cash 3 months 5'ment Primw' ts	£ 332,5-3 343,5-4 338	£ -4.25 -4 -4.5	8 555-4 544,5-5 *41,5	
. Morning months i Three mo	343. 43.5	. 44.	44.5.	Kerl

Three months £345, 44.5. Kerb: Three months £345. ALUMINIUM Marginally firm ALCONNICE—Marginary immer with forward matal failing away to £57 in early trading, owing to currency considerations, before recovering arrongly to closettle late Kerb at £568. Turnover: 5,826 tonnes.

Alumin'm	a.m. Official	+ or	p.m. Unoffici'i	<u>+</u>
Spot 5 months	£ 647-8 658,5-9	£ 1,5 5	£ 653.5-4.5 653.5-4.5	+
58, 58.5;	. Кеть: 7	Three	£658, 59, months £659, 61.5	£65

228 toones.							
NICKEL	a,m. Official	+ or	p.m. Unoffici'i	+ 4			
Spot 3 months	2805-10 2795-800	-5 -4	2810-5 2805-10	+22 +2			

Morning: Three months £2,795, 2,800. Karb: Three months £2,900. Alternoon: Three months £2,805.

#### SILVER

Silver was fied 19.1p an ounce lower for spot delivery in the London bullion market yesterday at 529.5p. U.S. equivalents of the fixing levels were: spot \$11.75, down 38.5c; three-month \$12.189, down 42.7c; six-month \$12.576, down 43:c; and 12-month \$13.514, down 43.3c. The motal opened at 531p-540p (\$11.85-\$12.05) and closed at 525p-534p (\$11.65-\$11.85);

Bullion + er LM.E. + or fixing - p.m. | per troy oz. ... 529.50p s. 545.60p s. 562.50p hs 5926.0p -19.1 530.5p -14.5 -18.4 845.75p-15.2 -19.8 ------

(157) lots of LME—Turnover 177 1.46—Turnover 177 (157) lots of 10,000 ounces. Merning: Three months 545, 44, 45, 46.5, 45, 44.5, 44.5, 45.44.5, 45.44.5, 45.5, 45.44.5, 45.5, 45.5, 44.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.5, 45.45.5, 45.45.5, 45.45.5, 45.5

#### COCOA -

Continuing the recent trend cocos jutures demained within a narrow range and close marginally lower than Tuesday evening. Volume was high, however heavy switching of the May and

three months to £328 by the close of the late Kerb. Turnover: 12,900 tonnes.

Physical cocos traded actively in the second hand market but producers 20 at 263.0 (264.0) cents a kg and SMR second hand market but producers 20 at 263.0 (264.0) cents.

COCOA	Close		Done
Warch	826-830	1.50	826-825
May	911-912 944-945	5.0 6.0	912-905 946-941
Sept	985-966	4,D	966-961
)ec		5,0 4.0	995-990 1016-13
March May			1036-33
Sales: 9.5	R4 /3 7811	lots of	- 10 tonnes.

10: 95.31 (94.18); five-day average 94.08 (93.75).

#### COFFEE

The dominant feature of an active morning session was the heavy commission house selling being absorbed by mixed dealer buying, reports Drexel Burnham Lambert. Prices continued to slide further during the early part of the atternoon, however, values tended to find support basis May \$1,010, and activity elsewhere centred around mid ranges. Prices finished an active day \$10-\$17 down from Tuesday night.

mane.			
COFFEE	Yesterday Close	or	Busine
	£ per ton	ne -	DOM
Ma rch.,	994-95	<b>⊢14,0</b> [3	002-94
May	1010-12	15,0l	020-09
July	1024-25		1030-20
Sept	1036-38	-17.0	LQ45-32
Nov	1041-42	-16.0	LO-3738
Jan	1040-55	<b>—10.0</b>	
March	1035-50	10.0	1040-38
Sales: 3,1	96 (1,991)	lots of	tonne

Sales: 3,190 (1,991) lots of 5 tonines.
ICO Indicator prices for March 10
(U.S. cents per pound): Other Mild
Arabicas 122,83 (123,33); Robustss ICA
1976 113,25 (asme): ICA 1988 113,50
(asme). Unwashed Arabicas unquoted. Comp. daily ICA 1968 unquoted.

#### GRAINS

LONDON GRAIN FUTURES—Old crops opened 40p lower, on general lack of buying interest. Volume was very thin in fairly featureless trading. Wheat closed 30p-40p down. Barlay saw virtually no interest and selling pressure on May pushed values turther down to close 45p-65p lower on the day. New crops registered losses of 15p-20p on wheat and in thin trade with September berlay holding steady at unchanged to 15p down on November and January, reports Acil.

WHE	T		ARL	
Mnth	Yesterd'ys Close	+ <u>o</u> r	Yesterds close	y + <u>-</u>
Mar May July Sep Nov	111.30 113.50 116.95 98,60 102,40 106,25	-0.49 -0.50 -0.55 -0.20 -0.20 -0.16	98.15 100.10 93.60 97.25 101.10	00

Business done: Wheat: March 111.45-111.30, May 113.60-113.40, July 117.00-118.90, Sept. 98.70 one trade, Nov. and Jan. no trades. Sales 90 lots of 100 tonnes. Berley: March 98.15 one trade, May 100.45-100.10. July and Sept. no trade, Nov. 97.25-97.20, Jan. 101.10 one trade. Sales 35 lots of 100 tonnes.

Winter, 132 per cent, March 103.50. April 104.25 trans shipment East Cosst. English Feed fob March 114.50. April English Feed fob March 114.50. April117.50, May 118.00 East Coast sallers.
Meize: South African Yellow March
89.00 seller. Barley: English Feed fob
March 101.00 paid, April 103.75 paid
East Coast. May and May/June 105
sallers East Coast. Rest unquoted.
HGCA—Locational ex-lerm spot
prices. Other Milling Wheat: E. Midlands
105.80, Feed Barley: E. Midlands
97.10, N. East 97.20, Scotland 94.50.
The UK Monatary Coafficient for the
week beginning Mondey March 16 is

#### RUBBER

The London physical market opened about unchanged, with little interest throughout the day, closing easier. Lewis and Peat reported an ico April

Apr. 58,76-51,90 \$1,50-62,50 — May 61,00-61,59 \$1,50-62,50 — Apr. Jne, 81,10-61,40 \$1,80-82,20 \$1,40-81,20 Jly-Sept 54,10-84,20 \$5,25-65,40 \$5,50-84,10 Oct. Dec 67,00-67,10 \$80,00-68,20 88,10-87,10 Jan. 48ar; 83,90-70,03, 70,80-71,10-70,90-70,50 Apl. Jne, 72,50-72,70 78,80-74,10-76,50 Sales: 417 (97) at 15 tonnes. None

et 5 tonnes. Physical closing prices (buyer) were: Spot 58.00p (58.25p), April 62.25p (62.75p), May 63.50p (63.75p). SOYABEAN MEAL The London market opened 50p lower on trade selling, reports T. G. Roddick. Prices continued to drift and firmed slightly from the lows to close around

2 down.			
	Yest'rd'ys Close	+ or	Business Done
ecamber. ebruary pril	122,60-22,8 124,70-24,8 128,60-27,0 128,60-29,0 128,60-29,0 128,00-34,0	-2.65 -1.65 -1.60 -0.60 -0.50 -1.75 -0.75	129.00
Sales: 15	2 (92) lots	of 10	tonnes,

LONDON DAILY PRICE—Raw sugar £227.00 (£234.00) a tonns cif for March-April shipments. White sugar daily price was £266.00 (£270.00). The markst opened some £5 below kerb levals and during the morning prices remained depressed. Alter however, after the EEC declined to release any sugar for export his week, short-covering developed and all the losses were recovered, reports C. Czernikow.

Con- tract	Close	Close	Done
	£ pe	er tonne .	
ley	281,58-81,76 227,50-27,76	254,60-54,75 250,20-50,26	250.50-27 255.50-11
ct	<b>225,25-26,</b> 50	228,50-27,00 212,08-15,50	229,50-17

Sales: 13,847 (10,018) lots of 50 Tate and Lyle ex-refinery price for granulated basis white sugar was £342.5 (same) a tonne for home trade and £302.50 (£310.00) for expor International Sugar Agreement (U.S. cents per pound tob and stowed Caribbean port). Prices for Merch 10. Daily price 21.07 (21.07); 15-dey sverage 22.70 (22.82).

#### WOOL FUTURES LONDON NEW ZEALAND CROSS-

LONDON NEW ZEALAND CROSS-BREDS—Close (in order: buyer, selfer, business, sales). New Zealand cents per kito. Merch 340, 355, nil, nil; May 350, 354, nil, nil; Aug. 362, 366, 354-363, 5; Oct. 388, 372, nil, nil; Dec. 374, 377, nil, nil; Jan. 380, 385, nil, nil; Merch 382, 384, nil, nil; May 383, 387, nil, nil; Aug. 384, 388, nil, nil. Sales: 5.

SYDNEY GREASY WOOL-Close (in SYDNEY GREASY WOOL—Close (in order: buyer, seller, business, sales). Australian cents per kg. March 483.0, 485.0, 488.0.480.0, 74; May 476.5, 475.8, 480.0-475.1, 230; July 484.0, 484.0, 484.5, 481.3, 384; Oct. 480.5, 481.0, 483.0-479.0, 121; Dec. 483.5, 484.0, 487.0-482.8, 117; March 493.0, 434.0, 495.0-483.0, 45 May 501.0, 503.0, 501.0-500.0, 21; July 503.0, 505.0, 505.0-503.0, 16. Sales; 1.008.

#### COTTON

LIVERPOOL—Spot and shipment sales amounted to 127 tonnes, bringing the total for the week so fer to 281 tonnes. Dealings remained light, but only fistrading in thost varieties. Scattered demand developed in Russian and Airican styles, with occasional support in Amarican stands.

#### PRICE CHANGES

ago Cash w bar...
5 mths......
Cash Cathoda Gold troy oz., Lead Cash,..., -15 £5,955 -14 £6,110 \$140.5 -10 8605 -5 £450 \$620 £413 \$605; Copra Philip.... \$390 Soyabean(U.S.) \$306y larley Futures £100,10

## May. y April. z Indicator. § Buyer. Per 45 lb fleek. • Nominal. POTATOES

LONDON POTATO FUTURES Market continues quiet, reports Coley and Harper. Closing prices: April 59.00 +20-(high 59.30, low 58.70): Nov. 57.20 +20-(high 57.50, low 57.20); Feb. 67.10 untouched (high 67.10, low 67.00). Turnover: 53 (98) lots of 40 tonnes.

**MEAT/VEGETABLES** SMITHFIELD—pence per pound. Best: Scotch killed sides 71.8 to 76.0, Eiro hindquarters 86.5 to 90.0, forequarters 55.5 to 59.0. Veal: Dutch hinds and ends 109.0 to 111.0. Lamb: English small 68.0 to 79.0, medium 68.5 to 76.0, heavy 80.0 to 69.0. imported frozen: NZ PL 54.5 to 55.0, PM 54.0 to 54.5. Pork: English, under 100 lb 41.0 to 51.0,

100-120 lb 41.0 to 49.5, 120-160 lb 39.0 MEAT COMMISSION—Average interestock prices at representative markets on March 11. GB cattle 88.02p per kg lw (-1.95). UK sheep 166.20p per kg est dcw (-4.91). GB pigs 70.53p per kg lw (-0.96).

COVERT GARDEN-Prices for the bulk of produce, in starting per package except were otherwise stated: Imported Produce: Oranges — Jaffe: Shamoutis 50/189 4.50-5.05: Spania: Navals 48/100 30/108 3.60-3.80. Shamoutie/V. Lates 80/108 3.60-3.80. Lemons — Spanis: Trays 25/54 2.20-2.40; Cypriot: 10-kg 4.00-4.50: Californian: 95/140 6.00-6.50; tialian: 100/12/ 3.75-4.50; S. African: Holian: 100/12/ 3.75-4.50; S. African: 89/100 5.80: Jaffa: 5.80. 3-boxes 40/45 2.80. Grapefruit—Cyprict: 20 kg 40/84 2.00-3.40; Jaffa: 20 kg 36 4.45, 40 4.50, 48 4.85, 56 4.40, 64 4.05, 75 3.85.

GRIMSBY FISH-Supply good, de-GRIMSBY FISH—Supply good, op-mand good. Prices at ship's side (un-processed) per stone: Shelf cod 53,00-14.00, codlings £1.50-£3.00; large had-dock £3.00-£3.60; medium £2.60-£3.40, small £2.60-£2.80; best 'small' places 12.40-13.00; skinned dogfish, mediu 15.00; semon soles, lerge, £14, medium, £12.50; asithe £1.60-£2.00.

#### **AMERICAN MARKETS**

NEW YORK, March 11. May 254-2541, (355%). July 362-362%, PRECIOUS METALS came under severe Sent. 361. Dec. 361-38012, March 372-324. and some iliquidation selling, copper Park Relies March 11. was moderately lower on a lack of cash interest at the EEC auction. Coffee was sharply lower on technical setting and on rumours of a Harvard university report linking coffee and center. Cocca was referently lower to technical setting and on rumours of a Harvard university report linking coffee and center. Cocca was reserved by

product performance. Grains and soyabeans finished virtually unchanged, reported Heinold.
Copper—March 79.20 (72.60). April 80.00 (80.45). May 81.70-81.30, July 83.35-83.50, Sect. 85.90-86.00, Dec. 88.70, Jan. 89.60, March 91.50, May 93.25, July 95.00, Sept. 86.75, Dec. 99.35, Jan. 100.25. Sales: 5,300.
Potatoes (round whites)—April 138.8-139.8 (142.4), Nov. 87.6-88.0 (88.0). Sales: 2,008.
Sugar — No. 11: May 20.85-20.70 (21.38), July 20.60-20.70 (21.8), Sept. 20.72, Oct. 20.80, Jan. 19.14, March 19.35, May 19.45, July 19.50-19.69, Seles: 8,644.
Tin—617.0-830.0 (619.0-633.0).

Seles: 8,644.
Tin—617.0-630.0 (619.0-633.0).
CHICAGD, March 11.
Lard—Chicago loose 19.50 (19.75).
Live Cattle—April 53.10-63.20 (64.50).
June 65.70-86.77 (68.15). Aug. 67.50-67.55. Oct. 65.85-65.90, Dac. 86.90, Fab. 87.70. Live Cattle—April 53,10-63,20 (64.50).

June 58,70-86,77 (68.15), Aug. 57.50.

67.55. Oct. 65,85-65.90, Dac. 66.90, Feb.

67.70. April 68.50, Live Hoge—April 41,12 (42.62), June
45.35 (46.85), July 48.70, Aug. 45.65, Oct. 44,95, Dec. 48.65, Feb.

April 50.85, June 58.50.

April 50.85, June 58.50.

48.65, Feb. 51.80.

49. Cents per 58-lib bushel. | \$ per short ton.

58.50 (48.75), July 48.70, Aug. 45.65, Per 1,000 aq feet. \$ Cents per 41.80.30.

#### Tuesday's closing prices

NEW YORK, Merch 10.

‡Cocos—March 1948 (1935), May
1989 (1972), July 2039, Sept. 2085,
Dec. 2145, March 2200, May 2255, July
— Sales 2,086.
Cotton—No. 2: May 87.02 (89.02),
July 86.75 (8.75), Oct. 84.05-84.10, Dec. 1859 (1872), July 2305, Sept. 2005, Dec. 2145, March 2200, May 2255, July 267.52 (845.7), Dec. 2145, March 2200, May 2255, July 267.52 (845.7), May — July 480.0, Oct. 84.05-84.10, Dec. 481.5-462.5 (449.7), May — July 480.0, Oct. 502.0, July 85.25, July 83.00-83.50, Seles 2.562. 43.0, July 127.5, Sept. 128.0, Dec. 128.50-119.75 (119.13), May 119.70-122.10, July 127.5, Sept. 128.50, Dec. 128.50, July 127.50, Seles 1.349. 448.0, Sept. 1477.5, Dec. May 121.25, July 122.50, Seles 1.349. 6.250.

Coffee—" C" Contract: March 18.50-116.75 (119.13). May 119.70-119.80 (120.83). July 122.00-122.10, Sept. 123.50, Dec. 123.20, March 121.50, May 121.25, July 122.50. Seles 1,349.

"Gold—March 482.5 (471.9). April 485.0-488.0 (475.9). May 490.8, June 485.5-497.0, Aug. 508.0-510.0, Oct. 519.7, Oec. 530.0-533.0, Feb 543.5, April 556.0, June 567.6, Aug. 579.9, Oct. 522.3, Dec. 604.9: Sales-37.030.

Heating off (cents per US, gellon)—April 0.3635 (0.9680). May 0.9650 (0.9675), June 0.9730, July 0.9740, Aug. 0.9650, Sept. 1.0080, Oct. 1.0285, Nov. 1.0500, March 1.1325, Sales 1.495.

Chicago Imm Gold—March 10.
Chicago Imm Gold—March — (472.0).
April 490.0 (475.5), June 496.0-495.5,
July 491.8, Sept. 514.0-513.5, Oct.
509.2, Dec. 532.0-530.8, Jen. 526.9,
March 548.0, April 544.8. Match 545.0, April 544.8, Live Cattle—April 64.60-54.40 (64.40), June 68.20-68.10 (67.82), Aug. 68.90-68.85, Oct. 67.30-67.40, Dec. 68.25, Feb. 68.95, April 69.30, §Wheat—SCWRS 13.5 per cent pro-teln content cif St. Lawrence 264.40

#### EUROPEAN MARKETS

ROTTERDAM, March 11.

Wheat—U.S. Two Dark Hard Winter
13.5 per cent. March-April \$112, May
\$211, June-July-\$209. – U.S.—No. Two 2625.50, April-Sept. \$270, Nov-Merch
Red Winter March \$210, April \$203, May
\$206. U.S. No. Two Northern Spring
14 per cent. May \$208.50, June \$209.50,
Intel \$210.507 April \$211.507 April \$209.500,
Intel \$210.507 April \$211.507 April \$209.500,
Intel \$210.507 April \$210.507 April \$209.500,
Intel \$210.507 April \$210.507 April \$209.500,
Intel \$210.507 April \$2

14 per cent. May \$208.50, June \$208.50, July \$210.50; Aug. \$211, Sept. \$212. Maire -Affort \$163.50, March \$163.50. April \$163.55, May \$166. June \$168.50, July-Sept. \$170.25, Oct.-Dec. \$168.50, Jan.-March \$179.75. Soyabeans -U.S. Two Yellow Gultpers March April \$299.50, May \$302. July \$200. Aug. \$318. Sept. \$314.75, Oct.-Nov. \$317, Dec. \$306.25, July \$329, Feb. \$337, March \$2,450.

DOW JONES

Dow Mar. Mar. Month Year Jones 10 9 ago ago

#### INDICES

FINANCIAL TIMES 258,99 258,55 253,79 294,59

Mar. 10 Mar. 9 Month ago Year ago

1130.7 1133.2 1166.8 1310.4

Spot | 412,03 | 416,19423,36421,78 Fut'rs 423,49 | 427,37,437,82440,04 (Average 1924-25-26=100)

#### REUTERS

Mar. 11 Mar. 10 Minth ago Year ago 1704.6 1719.6 1691.7 1756.8

## Gilts strong and long tap runs out but equities fall sharply—Share index ends 14.3 lower 470.0

responded strongly to the Goveroment's determined commitment to a medium term strategy of monetary control, and 2 per or monetary control, and 2 per cent cut in MLR to 12 per cent. In stark contrast, leading equities fell sharply reflecting the absence of any real aids for industry which will be forced to bear further cost pressures following the savage increase in

The following shares quoted in the Share Information Scruke restorday attained new Highs and Lows for 1980-81.

NEW HIGHS (34)

ERITISH FUNDS (11)

EXCHOT. 30c 1930 1 Treas. 120c 1986

Treas. 8:pc 80-32 (220 paid)

Exchor. 3pc 1983 Treas, 12 xc 1987

Firds. 50c 1983 Treas, 17:pc 1989 A

Exchor. 12pc Conv. G35 3pc 1990-95

1985 Spc 1985 Exchor. 12:pc 199 B

Treas. 5pc 1985 Exchor. 12:pc 199 B

Treas. 5pc 1981 Exchor. 12:pc 199 B

USMC 9pc 1982

Without Warrams

AMERICANS (3)

CBS Tarasamerica

Caro.

BUILDINGS (3)

INDUSTRIALS (2)

PAPER (1) Geers Gross PROPERTY (2)

MINES (1)

NEW LOWS (30)

Macailan-Glenivet CHEMICALS (1)

Jarvis (J.)
CHEMICALS (1)
Novo Inds. A S
ELECTRICALS (1)

NEWSPAPERS (2)
CoHins (Wm.) Sharpe (W. N.)

Crouch (D.) Jarvis (J.)

applications. Following the early excitement, other long-dated a loss of 4.2 an hour later before sisues opened with gains ranging to a point and improved further to show rises of up to two points, before slipping late. The casier tone continued in the afterhours' trading following the usual recess to assess the terms of yet new Conservation funding. of yet new Government funding announced at 3.30 pm. This comprised the issue of fibn Exchequer 12½ per cent 1990 stock at a price of £95, £15-paid; dealings in this stock start to

Bear closing technically balted the side in leading equities, but

Liberty N-V ELECTRICALS 12: VIDETON N-V ENGINEERING 16: N-V ENGINE

Rowon Horets
INDUSTRIALS (10)
Brown Boverin Kent Pentos
Dyson (1. & J.) A Restmor
Hallam Sleigh Resmore & Newall
Negretti & Zambra Viners
Lesston Lind. LEISURE (1)

RISES AND FALLS

YESTERDAY

Nerton & Wright MOTORS (1)

Woodhead (J )

Sekers Int. TOBACCOS (1)

Danae Cap.

became very uncertain in the light of Tubes experience, while Stores were upset by the squeeze on consumer spending.

Demand for Traded options diminished slightly and 1,143 deals were arranged.

#### Banks mixed

Home banks plotted an irregular course. Midland lost 5 more to 310p and NatWest cheapened 3 afresh to 342p on Press views that these two clearers will be worst hit by the clearers will be worst hit by the "windfall profits" tax. Barclays and Lloyds, however, rallied after Tuesday's sharp markdowu; the former ended 2 dearer at 382p, after 388p, and the latter 5 to the good at 297p, after 300p. Among merchant banks, Schroders gave up 7 at 358p despite satisfactory profits. Hill Samuel fell 10 to 130p and Kleinwort Benson gave up 12 at 248p. With the exception of London and Manchester, 2 better at 218p

and Manchester, 2 better at 218p following the results, Insurances closed easier throughout. A reasonable two-way trade in Breweries subsided during the afternoon and most issues ended lower. Bass shed 6 at 200p, while Whitbread gave up 4 to 140p. Regionals closed with falls ex-tending to 6. Vaux losing that

much at 152p. Joseph Holt, how-ever, provided a rare firm counter and rose 10 to 405p. Distilleries remained narrowly mixed after a subdued business, but cider concerns turned firmer, having escaped relatively added a couple of pence at 31p, lightly in the Budget Merrydown

Account Dealing Dates
Option

\*First Declara. Last Account
Dealings tions Dealings Day
Mar. 2 Mar. 12 Mar. 23
Mar. 30 Apr. 8 Apr. 9 Apr. 21
Mar. 16 Mar. 25 Mar. 27
Mar. 27
Mar. 12 Mar. 28
Mar. 30 Apr. 8 Apr. 9 Apr. 21
Mar. 16 Mar. 26 Mar. 27
Mar. 18
Mar. 1999 B. exhausted the start of dealings may take place from 9 am two business days active.

The Chancellor's Budget
The Chancellor's Top's
The Chancellor's Budget
The Chancellor's Budget
The Chancellor's Top's
The Chancel Top's
The Changes in Development
The Chancel Top's
The Chancel Espley-Tyas Property has acquired a 10.1 per cent stake, rose 6 to 68p. G. H. Downing gained 5 to 123p on the higher interim dividend.

Stores flat Fears that the Budget proposals will lead to a substantial reduction in non-essential consumer spending prompted marked weakness prompted marked weakness among Stores. Double-figure losses were commonplace and Gussies "A" tumbled 15 to 443p, while W. H. Smith, 138p, and Mothercare, 214p, fell 10 and 12 respectively. Losses of around 8 respectively. Losses of around 8 were sustained by Burton, 115p. British Home, 142p, and Marks and Spencer, 110p. Woolworth however, provided an isolated firm spot following annual profits

at the top end of market expectations and touched 59p before ending unchanged at 56p. Electrical retailers were particularly duli. Currys slumped 22 at 313p, Dixons Photographic dipped 8 to 143p and Comet Radiovision fell 5 to 130p, D-I-Ys were also unsettled and Harris Queensway declined 14 to 172p, while MFI closed 6 cheaper at

post-Budget malaise, GEC led the retreat in the leaders, closing 12 off at 625p, after 623p, while Philips' Lamps shed 8 to 347p. Plessey. 308p, and Thora EMI, 296p, cheapened 4 apiece. Still redecting the Board's forecast of a substantial loss for the year, Dutch concern Vitatron dropped a further 55 for a two-day slide of 80 to a 1980-81 low of 75p. Up 8 the previous day and continuing quietly firm yesterday ahead of the results, Tubes plummeted 25 to 179p, after 178p, on news of the slashed final dividend and near 49 per cent contraction in annual profits. The

statement immediately de-moralised the rest of the

terim profits and dividend. Selling in Foods gathered pace after midday and final quotations Espley-Tyas Property has were the day's lowest. Nervous were the day's lowest. Nervous offerings in front of today's preliminary results left United 
gained 5 to 123p on the higher 
interim dividend.

Pressure on ICI increased as 
the session were on and the 
close was 14 down at 234p.

Fisons dipped 3 to 122p.

were the day's lowest. Nervous 
offerings in front of today's preliminary results left United 
Biscuits 7 down at \$15p, while 
Associated Biscuit shed 3 to 58p.

Cadbury Schweppes gave up 2; 
at 74p and Associated British 
Foods 5 at 118p. Northern also 
cheapened 5, to 145p.

In Hotels and Caterers, Grand Metropolitan closed 7 down at 165p and Trusthouse Forte 6 off at 194p.

#### T. & Newall fall

Already showing sharp falls on dissatisfaction with the Budget, the miscellaneous industrial the miscellaneous industrial leaders were dealt a further blow by depressing preliminary statements from Tubes and Turner and Newall. The latter were marked down to 68p initially before closing a net 41 lower at 701 fellowing news of the fact. 701 following news of the final dividend cut and annual profits slump. In sympathy with Tubes' poor figures, Metal Box plummetted 18 to 168p, while Pilkington declined 9 to 276p

and Rank Organisation receded 10 at 166p. Reflecting fears that sumer spending could suffer in the wake of the Budget, Boots cheapened 6 to 219p. Elsewhere, Pentos lost 10 to 19p in reaction to the final dividend ommission and £2.2m annual deficit, while Longton Industrial fell a similar the petrol price increase. Renewed profit-taking clipped 10 from Channel Tunnel at 127p. By way of contrast, Maynards improved 8 to 176p on the results, and BTR hardened 5 to 403p awaiting today's annual

William Collins improved 5 to 148p following the return to profitability; the "A" added 2 at 107p. Contrasting movements among advertising agents were provided by Geers Gross, 4 up at 79p, and Saatchi and Saatchi, that much cheaper at 326p.

Oil shares suffered a sharp mark-down at the outset. A rally ensued prior to the announceengineering sector and British ment of Ultramar's preliminary Aluminium in particular, a sub-results, but this petered out sidiary of Tubes, which closed following the subsequent appear-

#### TUESDAY'S ACTIVE STOCKS

Stock ICI Tube Invs Premier Cons. Shell Trans Cons. Gold GEC	22 22 21 20	Tues, 's closing price pance 248 204 100 402 443 637 141	Day's change + 2 + 8 + 8 + 13 + 1	Stock Plessey RTZ BP ICL Turner & Nwil. Fisons Thorn EMI	No. of price changes 18 17 16 16 16 15	Tues.'s closing price. pence 312 440 400 40 75 130 300	Day's change + 4 + 10 - 2 + 3 - + 2
Stock Boots	•	Closing price pence 219	Day's change — 8	in the following Stock Midland Bank		Closing price pence 310	Day's change — 5
050	-,,	386 625	-14 -12	Shell Transpor		392 179	-10 -25

#### **OPTIONS**

Last For Dunlop, Midland Bank, British

Minerals. Turner and Newall.

THE THE TAIL	,
Deal- Deal- Declara- Settle-	Home Stores, Thomas Borth-
ings ings tion ment	wick, Trident TV A, Lex Service,
Mar. 9 Mar. 20 June 11 June 22	Beechams, Burmah, North
Mar. 23 Apr. 3 June 25 July 6	Kalgurli, FNFC Marks and
Apr. 6 Apr. 17 July 9 July 20	Spencer London Investment
For rate indications see end of	Trust and Turner and Newall.
_	Puuts were taken out in Lucas.
Share Information Service	Tubes and North Kaigurli, while
Money was given for the call	were traded in BP, Brent
abnelwal bee sheeldold to	Walker Arthur Guinness and

#### RECENT ISSUES

_					_4011100		_			
Issue Price p:		Letest Regund, Date	198 High	0,81 Low	Stock	Olosing Price P	1-01	Amount	Covered	Ratio
10; 51 75; 100 42; 4.2;	F.P F.P F.P F.P	. 13.3 .13.5 .13/5 .13/5	1514 105 102	133, 61, 88 95 38 71, 12	BritishAerospace 50;	151g 7 90 98 39 71g 13		55.92   0.88	2.0 6. 1.2 6. 	2.16.7

**FIXED INTEREST STOCKS** 

**FOUITIES** 

				·	_	
	Latest Renunc Date	! <del></del>	0,81 Low	Stock	Otosing Price &	+ 01
9	21/5 12/2 27/5	119 22	105i2 20i2	Bristol Water 37 Red, Pref '86 Crystalate 9'42 Cry. Una. Ln. '99 2000 Iceland 14125 016	121 <sub>2</sub> 118 22	-1- +14

# "RIGHTS" OFFERS

Lasmo came under selling pressure and shed 30 to 585p. Interest in other issues was restrained by news that the seventh round licence awards are due to be announced at mid-

day today.

In dull Shippings, Reardon
Smith "A" fell 10 to 148p on profit-taking. British Enkalon eased a penny to 5p after news of the sub-stantially increased full-year loss. Corab, due to announce annual results today, shed 11

Tobaccos were mixed. Imperial were active and closed at the day's worst of 681p, down 31, but Bats, 278p, and Rothmans, 471p, both recovered from initial easiness to finish a shade firmer on balance.

Increased speculative support lifted Malaysia Rubber 11 more to 2020

The American sector of mining markets came in for a further bout of speculative interest following the second major take-over bid in a few days. News that Seagram have made

Mar. Mar. Mar. Mar. Mar. Mar. year 68.75 68.61 68.36 68.61 68.66 64.08 59.49 71.40 70.67 70.58 70.59 70.66 70.66 64.82 470.0 484.5 483.5 488.1 495.2 500.0 444.9 316.7 329.4 319.1 309.6 300.4 305.9 310.8 7.10 7.27 7.29 7.80 7.11 7.06 7.58 16.09 15.64 15.68 15.50 15.30 15.19 18.80 16.09 7.66 7.88 7.86 7.95 8.08 8.12 5.50 Earnings, Yld. %(full) 81,797 22,877 24,093 26,234,24,171 26,120 19,041 P/E Ratio (net) (\*)..... 91.86 107.57 140.81 121.35 155.51 110.92 17,425 19,592 17,742 19,831 19,807 13,963 Total Bargains.... Equity turnover £m. 10 cm 476.8. 11 sm 480.1. Noon 477.2, 1 pm 477.2. 2 pm 476.7. 3 pm 477.9. Lagest index 01-245 8025 • NN = 7.04. Besis 100 Govt. Secs. 15/10/25. Fixed int. 1928. Industrial Ord. 1/7/35. Gold Mirres 12/9/65. SE Activity 1974. S.E. ACTIVITY HIGHS AND LOWS

Principal Lance Landson march to root

FINANCIAL TIMES STOCK INDICES

1980/81 Mar. 10 Mar. 9 High , Low ! High , Low 72.54 63.86 127.4 49.18 Gift Edged (2177/89) (7/8/90) (9/1/89) (3/1/75) Equities ... Bargains ... (2477/89) (10/8/89) (28/11/47) (3/1/75) Value ... Value ... Value ... Value ... ... 171,5 304.8 112.9 126.95 185.7 217.4 

Tobaccos were mixed Imperial at £14(\$311).

a U.S.\$1bn plus bid for St. Joe as did Rio Tinto-Zine, to 427p.

Minerals at a price of U.S.\$45

South African Golds drifted in line with the bullion price per share—saw St. Joe suspended at £14(\$31\frac{1}{2}). Other U.S. mining issues moved ahead strongly with Asarco a half-point higher at Ahead of dividend declarations moved ahead strongly with Asarco a half-point higher at £17; and Phelps Dodge a like amount firmer at £17.

AMAX, currently the subject to a record bid from Standard oil of California, closed at £24; compared with an overnight Wall Street closing price of £24.

London-registered mining Financials came under heavy selling pressure as UK equities fell ghapped and financials. De Beers dropped 14 to 362; pressure as UK equities fell ghapped dividend, announced Gold Fields dropped 13 to 430p, after-hours on Tuesday.

#### UNIT TRUST SERVICE

Rothschild Asset Management (C.I.) P.O. Box 58, St. Julians Ct. Guerrier. 0481 2 Craigmount Fixed Int. Magrs. (Jersey) P.O. Box 195, St. Hefer, Jerset. 0534 27561 GR: Fund (Jry) \_\_\_\_\_\_PI.O 941nl +0.4 14.88 Valued weekly Wednathy. DWS Deutsche Ges. F. Wertpapiersp Graneburgweg 113. 4000 Frankins Europe-Obligations | 18549.38 | 140.09 | 1.91 First Inc. | Benson Group | Sterling Noney Fo. | Europe Inc. | 1.91 First Inc. | Benson Group |

Dealing to P.O. Box 73, St. Heller, Jersey 

LEADERS AND LAGGARDS

NEW HIGHS AND LOWS FOR 1980/81

Contracting, Construction	+19.	Leisure		+ 4	.15
Hire Purchase			roup quor		
Textiles			roup	+ 3	
Insurance (Life)			OUSes		
Building Materials			raders		
Other Industrial Materials	÷ 9.		Froup		
Mechanical Engineering			Trusts		
Other Consumer			anks		
Insurance (Composite)					
Packaging and Paper			Distillers		
Tobaccos					
		MII-SHATE II	ndex	+ 1	
Shipping and Transport			ndex		
Cepital Goods			fousehold Products		
Office Equipment			Inca	- 2	
Property		Motors		- 3.	
Metals and Metal Forming	+ 7.	Food Retaili	ng,	- 3.	.66
Insurance Brokers		Other Group	JS	- 4.	.85
Food Manufacturing		Oils		- 9.	.00
Electricals	+ 5.			-10.	.42
Newspapers, Publishers	+ 4.	Chemicals		-15.	89
Engineering Contractors			Index		

Percentage changes since December 31, 1980, based on Tuesday, March 10, 1981.

#### FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS					Wed., March 11, 1981						Tues., March 10	Mon., March 9	Fri., March 6	Thors., March 5	Year ago (approx.)
& SUB-SECTIONS  Figures In parentheses show number of stocks per section				of Ind	o. Ch	ay's ange %	Est. Earnir Yield (Max	195 %	Gross Div. Yield % (ACT at 30%)	Est P/E Ratio (Net)	Index No.	index No.	Index No.	Index No.	index No.
1 2		uls (26)	- 	267		1.5 0.9	13.5 17.2		5.34 6.45	9.02 6.93	389.22 270.27	307.61 268.28	310.58 271.73	31451 27642	241.14 235.22
3	Contracting, Con	struction	(26)	483	3.49	-,	18.8		5.26	6.37	483.50	484.29	487.49	492_07	368.89
. 4	Electricals (27) . Engineering Con					16 10	8.7 14.5		2.64 6.31	14.13 8.77	10 <b>68.08</b> 414.11	1002.48 412.50	1012.05 414.22	1625.08 420.99	617.46 281.34
6	Mechanical Engi	neering (	72)	187	2.66 -	20	15.6		6.87	8.10	186.47	185.67	187.31	188.99	164.84
8	Metals and Meta					32	18.5		11.72	6.85	147.13	145.76	146.89	148.14	167.67
9 10	Motors (21)			87   312		2.1 0.8	20.7 14.6		9.47 6.53	5.56 8.11	89.48 315.18	89.26 312.23	90,34 316,60	92.09 320.65	198,77 0.08
21	CONSUMER GROUP (197)					2.7	15.8		6.61	7.64	244.64	245.22	247.89	251.66	219.47
22	Brewers and Distillers (20)			259	.97 –	24	17.8	2	7.04	6.66	266.41	259.13	271.05	275.64	254.46
25	Food Manufacturing (22)					26	17.9		7.16	6.60	224.94	224.27	225.97	227.58	196.30
26 27	Food Retailing (14)					1.7 2.3	10.2 10.5		3.65 5.65	11.57 11.30	448.30 258.36	449.31 257.88	451.42 250.97	457.09 263.66	303.03 208.93
29	Leiture (22)			358		15	15.6		6.39	7.90	363.52	360.94	364.32	368.50	299.64
32	Newspapers, Put	Newspapers, Publishing (12)				1.6	20.0		7.35	6.50	444.89	445.74	450.22	451.28	427.15
. 33		Packaging and Paper (15)				3.2 4.1	26.5 12.3		10.08 5.27	4.35	124.03	123.21 251.72	126.10	127.28 260.39	128.16 222.62
34 35	Stores (44)	Stores (44)				12	18.3		9.63	10.57 7.09	250.34. 140.35	149.78	256.46 143.41	144.57	128.27
36	Tobaccos (3)	Tobaccos (3)				13 l	26.6		10.92	4.28	215.98	216.96	216.19	226.65	280.02
39	Other Consumer	Other Consumer (17)				0.5 ]	10.0		7.46	12.58	258.84	259.42	261.73	261.85	0.00
41	OTHER GROUPS	OTHER GROUPS (79)				2.9   4.8	14.5. 12.6		7.48	8.61	209.89 249.91	209.12 248.94	210.95	212.87 254.78	202.66 292.43
42	Chemicals (15)			239 105		3.6 I	17.6		8.73 7.89	10.87 6.71	109.31	197.36	108.74	11065	116.52
45	Shipping and Transport (13)					19	13.3		6.49	9.23	579.82	578.59	583.85	586.20	467.53
46	Miscellaneous (4)	Miscellaneous (45)				1.9	16.7	_	6.44	<b>7.3</b> 3	271.34	270,20	271.48	273.05	241.36
49	INDUSTRIAL GROUP (488)				<del></del> -	2.2	14.8	_	6.24	8.24	252.03	261.69	264.35	267.91	227.68
51	Oils (12)			821		27	29.2 17.8	_	6.43	3.81 6.62	844.95	853,22	874.10 312.66	877.12 316.19	757.71
59 61	500 SHARE INDEX			301		2.3 0.9	17.0	₽	6.28 5.68	0.02	308.25 242.53	308.58 243.28	244.83	249.72	269.58 193.34
62	Banks(6)					ii	43.49	9	8.06	279	221.14	225.99	228.54	257	211.63
63	Discount Houses (10)			299		- 1	-		6.19	_	299.22	299.22	302.76	305.98	212 19
64	Hire Purchase (4)			234		9.4	10.04	4 }	5.57	14.06	235.34	235.29	238.63	241.78	185.55
65 66	Insurance (Life) (10)			252   158		1.1 1.0	-	ł	5.23 7.56	_	255.23 159.83	254.25 159.68	255.12 159.29	262.57 162.51	171.95 125.83
67	Insurance Brokers (9)			339		0.4	12.92	2 {	6.82	10.57	34113	353.48	354.33	361.72	283.06
68	Merchant Banks (13)			146		33	_	. ]	5.27		151.99	152.45	15431	156.22	102.57
69	Property (46)			471   174		1.3 1.8	3.20 15.54		2.65 5.31	43.44 8.20	477.21   173.56	474 <u>12</u> 173.62	476.51 175.90	481.09 178.99	370.93 129.63
70 71	Investment Trust	e /1001		287		2.8		+	5.36		289.54	288.76	291.68	295.05	217.38
81	Mining Finance C			216		3.0	15.66		6.21	7.58	222.64	217.33	215.52	212.51	198.05
91	Overseas Traders	(20)		_ 436			12.2	5	6.79	10.03	441.08	447.18	443.81	446.69	397.19
99	ALL-SHARE IN	JEX(750)		289	.45] -:	2.0		ı	6.12 ]	_ 1	295.23	295.39	298.66	302.29	251.81
-	•								FIX	ואו פב			Wed.	Toes	Year
	FIXED INTEREST PRICE				NDICES				Brittsir		YIELDS ovt. Av. Gross Red.		March 11	March	(Shbuat") Bio
	<del></del>	т		Γ		т.	-1	1	Low		5 years	<del>  </del>	1125	11.48	13.15
	British Government   March   charge   M			Tues.	xdadi. today	백		2	Coupons		15 years		12.17	12.35	13.05
Di				10		160		<u>3</u> ∤· `		25 years			12.34	12.54	13.05
		1		740.97	<del> </del>	╁╌		4	Medium		5 years		12.98	1320	14.98
- 1	Under 5 years	108.62	+0.42	108.16	l –	l	·	5	Couposs		5 years 5 years		13.67 ( 13.51	13.91	14.64 14.42
2	5-15 years	112.06	+1.25	110.68	-			7	. Hilgi		5 years	<del></del>	12.98	13.21	75.12
3	Over 15 years	114.91	+163	113.07		2		έĮ	Coopens		э уевгэ 5 уевгэ		13.99	14.13	14.95
4	Irredeemables	126.95	+1.29	125.44	<b> </b>	[ 2		9			5 yesrs		13.71	13.95	14.83
5	M striks 11156 +1.12   11			110.32	132 _		218	10	Irredeenables			<u> </u>	1163   .	זכנו	12.50
				l w	d., Mai	. 11	Tue		Mon.	Friday	Thurs.	Wed.	Tues	Mon.	Year
		Ind		/iald	Ma	ч.	Mar.	Mar.	Mar.	Mar.	Mar.	Mar.	ago ·		

16 Investment Trust Prefs. (15) | 51.01 | 13.26 | 51.01 | 51.01 | 51.01 | 51.01 | 51.01 | 51.06 | 47.70 17 Comi. and Indi. Prefs. (20) 68.45 13.24 68.31 68.20 68.20 68.20 68.38 68.50 68.54 61.35

BANKS AND HIRE PURCHASE CHEMICALS, PLASTICS BRITISH FUNDS ENGINEERING MACHINE TOOLS Five to Fifteen Years · Hire Purchase, etc. | 10 | 36 | 22 | Cartie's (Hotgs) 106 | 24 | -1 | \$2.1 | 2.8 | \$39% | \$228 | \$2.0 | \$2.0 | \$1.00 | \$2.3 | \$0.15 | \$1.00 | \$5.3 | \$0.15 | \$1.5 | \$1.5 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | \$1.00 | INDUSTRIALS (Miscell) BEERS, WINES AND SPIRITS Over Fifteen Years Undated BUILDING INDUSTRY. TIMBER AND ROADS INTERNATIONAL BANK 6.4 1.8 6.8 6.3 6.0 4.4 6.5 7.2 1.6 899624341554033341514553011760814945175744773392117887446884548648645517154524591662617545178518661855403334151455403352778566667551775194 CORPORATION LOANS CANADIANS
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2 COMMONWEALTH AND AFRICAN LOANS **ELECTRICALS** AB. Electronic.	
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Aristrad.
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Da. 12pc Ptp. Ptc.
Autoricis Sec. 10p
BESR 10p
HTSaire Elec. 10p
Berse.
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Lec Refrig.
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Tele Remails
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Unitech 10p
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R 44,760 iales (excluding inter-company) .3,148 Is there something missing from your company 2,389 1,242 Group net profit Exclude: Minority int Ordinary dividends Whenever your company publishes its annual, preliminary or interim results, and the chairman's comments accompanying them, it's not simply shareholders who are interested in how you've performed, and why. Analysts, stockbrokers, fund managers, potential investors, bankers, customers and suppliers - they all need to be told the facts behind the figures. Which is why so many companies FOOD, GROCERIES, ETC. Julipine Soft to 100)
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HOTELS AND CATERERS

Financial Times Thursday March 12 1981

## FINANCIALTIMES

Thursday March 12 1981



contact Steve Wehrle, Dept FT, The Civic Centre, Newport, Gwent. .Tel: (0633) 65491**⇒** 

## 'Kick in teeth' angers industry

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

LEADING industrialists last day when he heard the strength against the Government over the Budget, which the Confedera-tion of British Industry condemned as "at best a brush-off and at worst a kick in the

Plans were laid for a potentially big row at the next meeting of the National Economic Development Council about the Budget's lack of concessions on energy

council meeting on Wednesday should consider a request from the TUC for joint talks. In Manchester Sir Ray Pennock, president of the CBI. sharpened the tone of a speech

which face their first test of

to suspend staff for refusing to

Some 150 microfiche opera-

tors at Companies House, who

copy records of companies held

on master fiches, have remained

on strike since Monday, the day

of the one-day national strike

in the Service, as part of the

selective action called by the

Council of Civil Service Unions

over pay.
Pickets have been posted out-

has completely halted the pro-

cessing of search requests. The

Registrar of Companies has

announced that because of the

industrial action, no search

airports. Action hitting defence

operations and Government

transactions. Strike action at

Companies House two years ago

London will now not be dealt with until the end of the strike,

though Companies House in

Cardiff can deal with some.

However, the Cardiff establish-

ment is only equipped to deal

with 1,800 inquiries a day:

beyond that requests will also

have to wait until the strike is

took six weeks to clear the back-

log after a ten-week strike two

first Government response today, Four Excise staff in Liver-

Weather

Mild becoming fresher.

UK TODAY

N.E. N.W. England, Scotland, N. Ireland snowers. Sunny intervals.

Max. 12C (54F).

Rest of UK
Shower

Showers. Sunny intervals. Max. 13C (55F).

breaks of rain. Becoming mostly dry in south west later.

Outlook: Showers or longer out-

WORLDWIDE

C—Cloudy F—Fair. Fg—Feg. H—Hail. R—Rain. S—Sunny. SI—Sleet. Sn—Snow. T—Thunder. † Noon GMT temperatures.

Becoming colder.

Showers. Sunny intervals.

The overall action faces its

Companies House in London

other operations.

years ago.

the credit-worthiness of

revenue continued vesterday.

The unions will

facilities can be provided in moving, London "until further notice." "inevitab

work normally.

Excise management prepares ally.

night were considering whether of feeling among local CBI to launch a major campaign members.

Company searches stopped

AT Companies pool, who have been refusing

blockade.

Fishguard.

" inevitable."

Heysham.

side and the operators' action affected yesterday also included

announce details of further day on the Government's sensi-

selective action at ports and tive Composite Signals Organi-

The halting of company monitors the path and messages

searches could have consider- of Soviet spy satellites, has not

affected conveyancing, checks information the Civil Service

companies, court cases and Service. Some Health Service

Search applications lodged in have been made pay offers

able implications for financial yet been shut by the action.

sation

as strikes face major test

House in London, normally to stamp forms left unprocessed running at up to 11,000 requests by the unions' freight blockade

a day, have been stopped by the of Ireland, were told yesterday

selective Civil Service strikes, by local management they faced

strength today as Customs and if they refused to work norm-

"We have at best what might be described as a brush-off, and at worst a kick in the teeth,"

The CBI had been "completely ignored" on its Budget proposals and would now take on the Government "in no un-

The CBI tactics must now be decided by Sir Ray and Sir Terence Beckett, CBI director-The CBI agreed that its general, Sir Terence's personal anger at the Budget rebuff was heightened when he sat next to the Prime Minister at a Mansion House lunch and was told by her how pleased he and his members ought to be about the he had prepared earlier in the 4 percentage point cuts made in

suspension from this afternoon

Liverpool today they would

take "any necessary retaliatory

action," which could mean a

Customs blockade of all cargo

movement from the port of

refused to cross a Customs picket at Fleetwood yesterday.

Transport workers' drivers

set up as part of the Irish

The Customs and Excise

Pickets were placed yester-

Cornwall, where 45 staff are on

The TUC has called

together, for an exchange of

unions and those in the Health:

groups, like the civil servan's,

Continued from Page 1

Its bid for St. Joe comes at a

time of growing excitement over the U.S. mineral sector. It

California's record cash and

current market prices at \$3.89bn

but which could rise to \$4.3bn

-for the 80 per cent it does not hold in Amax, another lead-

ing mineral and mining con-Amax directors have

Seagram indicated after its

oil and gas sale that it planned

a spending spree involving as many as three important

There has been speculation that Seagram intended to take

a major stake in Gulf Canada, the second largest Canadian oil

compny which is 60 per cent owned by the U.S. Gulf Oil Com-

pany. Gulf Canada indicated yesterday it was not aware of

Seagrams

follows Standard Oil

securities offer-valued

rejected the offer

acquisitions.

Department said efforts would

be made to keep freight

but

Mainland ports

Holyhead

delays

The station, which

were

The unions warned yesterday

staff were suspended at

THE EFFECTS of the Budget on workers' living costs could spark off a new bout of wage militancy, according to trade union leaders yesterday. writes Christian Tyler.

Since last autumn the level of wage settlements has been failing to well below the prevailing rate of price increases as the fear of unemployment has taken over.

But the TUC now predicts that strenuous efforts will be made, especially by groups with real industrial power, to recoup their losses.
TUC and wages; Small companies, Page 8

MLR since last November. Complaints flowed into the London headquarters from its regional organisations and from individual companies saying that the Government apparently did not realise the deep problems they faced.

The Budget's concessions for small businesses, while pleasing their representatives, did little to reduce the strength of feeling.

Mr. Ian MacGregor, chairman of British Steel, criticised the Government for lack of action on energy costs; the Food Manufacturers' Federation and the Freight Transport Association joined in the complaints, especially condemning the increases in petrol and derv especially

It was at the CBI conference last November that Sir Terence threatened a bare-knuckle and was slapped down by his members. Now he has to make a fine judgement as to how outspoken they want him to be

While the tactics were being considered at the CBI headquarters, the co-ordinating committee of the National Economic Development Council met and accepted the reques last week by the TUC and the CBI that energy costs be put back on the agenda for the next council meeting on April

This will provide an opportunity for the Government to be attacked by both sides of

## Men from the Ministry held in new twist to caviar swindle

BY DAVID SATTER IN MOSCOW

A WAVE of arrests of Soviet Foreign Trade Ministry officials has given a further twist to the multi-million dollar caviar swindle which may be the largest economic crime in the Soviet Union's

The swindle involved the export of caviar in tins labelled "smoked, seasoned herring." Importers paid the hard currency price for herring and then resold it as caviar, splitting the vast profit

with Soviet officials.

The latest arrests are being made on the basis of evidence of Mr. Vladimir I. Rytov. Deputy Fisheries Minister, who is reported to have died in prison last May. Mr. Rytov began giving evidence last year after being threatened with the death penalty.

He revealed that the bulk of the caviar was sent to Japan, and his evidence is believed to have led to many arrests. Those detained by the Soviet authorities include people in the Foreign Trade Ministry who dealt with the export of caviar.

The Soviet Foreign Ministry has refused to comment on the case and Fisheries Ministry officials say they do not know where Mr. Rytov is. More than 200 Fisheries Ministry workers already been arrested, Information about the scandal has been tightly controlled, and Soviet officials have been warned not to speak about the case. It has become the

most frequent object of ques-tions at closed party meetings and lectures. In what has become almost uniform practice, party lecturers have flatly declined

The caviar smnggling went undetected for more than 10 years. It seems to have been a model of clandestine organisation in which only a few people at the top were familiar with the full size and complexity of the operation.

to discuss the subject.

Each major participant knew only the identity of the

people directly above him, and Mr. Rytov was said to have been implicated only on the basis of the testimony of his direct subordinate Mr. Yefim B. Feldman, director of the fish products sales divi-sions of the Fisheries Ministry.

Mr. Feldman was also in custody and was threatened with the death penalty, tao, if he "concealed evidence." Mr. Alexander Ishkov, the former Fisheries Industry Minister, who resigned in February last year, has not been charged in the case, despite a reported demand by the Soviet procurator that he be brought to trial. No Soviet minister has ever been charged with a violation of

the criminal code.
Mr. Rytov is said to have been buried in an ordinary civil ceremony although he had been a Deputy Minister. It is understood that officials in Soviet Ministries were warned not to attend the funeral, and no government official was present.

## Reagan move to aid UNITA

United Nations.

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

repeal the 1976 Clark Amendment, which prohibited U.S. aid to insurgents fighting the Cuban-backed government in

Senior Congressional officials yesterday confirmed that such a request would probably be contained in the Foreign Aid Bill. which is expected to be transmitted to the Legislature in the next few weeks.

About 20,000 Cuban troops have been stationed in Angola since the civil war which followed Portugal's withdrawal from its former colony in 1975. Mr. Jonas Savimbi's UNITA movement lost the war, despite the assistance of South African troops, and now operates only in the south-east of the country. from bases in Namibia.

Namibia is the subject of a

THE Reagan Administration is five-power Western initialitive. This would appear to place expected to ask Congress to aimed at ending South African in grave doubt the U.S. commit-

The Angolan Government supports the South-West Africa President Jimmy Carter's Afri-Peoples Organisation (SWAPO) can policy can policy independence movement, and allows its guerrillas to operate from bases in southern Angola. If SWAPO took control of Namibia, UNITA would be left

without a base of operations. U.S. Congressional officials said repeal of the Clark Amendment did not necessarily mean that the U.S. would immediately

policy would be primarily with its allies and other African

control of the territory after ment to pursuing to conclusion elections supervised by the the Western initiative on Namibian independence, which was an integral part of former

From a tactical standpoint, the Administration might allow Senator Jesse Helms, the archconservative from North Carolina, to raise the issue for it in Congress. Last year Mr. Helms pushed repeal of the amendment through the Senate. but it died in the House of Representatives.

directed at eradicating the nations was intent on pursuing diplomatic solutions to the area's conflicts.

#### start assisting UNITA. However, such a move would be interpreted, in the U.S., yesterday that African policy Africa and Europe, as a signal was still "under review," but that the Administration's Africa that the U.S., after consultations

Cuban presence from the con-

## EEC blamed over fish talks

BY MARGARET VAN HATTEM,

any such plan.

With its bid for St. Joe Seagram is seeking to acquire a mining concern expanding in other natural resources with sales of \$1.3bn last year and net earnings of \$117.1m. fisheries negotiations Seagram reported net earnings of \$142m for the 1980 year yesterday morning.

Mr. Walker's statement came ending last July on revenues of \$2.5m from its wine and spirits as Chancellor Helmut Schmidt of West Germany stressed his disappointment over what he sees It yesterday reported net earnings of \$68.3m on sales of as Britain's unwillingness to compromise over EEC fishing According to Mr. Walker, last

the situation."

\$778.2m in the second quarter of fiscal 1981. In the same period last year, it reported minute proposals put forward by earnings of \$12.6m on sales of the EEC Commission, partincularly on the question of French access to British coastal In the first six months of its waters, were "totally unacceptable" and "out of touch with

current fiscal year Seagram's net income rose to \$1.36bn compared with \$60.9m the previous year as a result of the \$1.22bn gain from the oil and gas sale. Sales in the first half were posal put for -1.56bn compared with \$1.42bn represented

MR. PETER WALKER, the access, but it had become clear mile pond. Fisheries Minister, yesterday early yesterday morning agree-blamed the EEC Commission ment was still not possible, the for its part in the breakdown Minister told the oCmmons. EEC fisheries Ministers would resume negotiations for a Common Fisheries Policy on April 6 and

> Mr. Walker's statement won staunch support from both sides of the House with many members, particularly those with Scottish constituencies, urging him to adopt a much tougher approach. Several appear to suspect a settlement might involve a sell-out of British fishing interests and the Government may be preparing a trade-off in

other policy areas. This week's abortive Brussels meeting came after nearly five years of haggling as the EEC struggles towards a Common Fisheries Policy to share and conserve fish stock in its 200-

In the early years, particu-larly when Labour's Mr. John Silkin was Fisheries Minister, itwas Britain who held up progress and resisted all attempts at compromise. But the pressure is now all on Britain.

It temporary rights to contro its coastal water, granted under the Treaty of Accession, expire at the end of the year after which, if no settlement is,oM which, if no settlement is reached. Continental fishermen will have access right up to British beaches.
It appears that West Germany

is set for a sharp exchange with its EEC partners—and Britain in particular—at the European Council (summit) meeting in Holland on March 23 and 24.

Fish policy row, Page 2 Peter Walker's statement, Page 12

## Radical industrial democracy plans considered

BY JOHN LLOYD, LABOUR CORRESPONDENT

Party liaison committee. It is Party liaison committee. It is drawing up a "programme for action" on the subject for a future Labour Government.

A paper considered yesterday

It recommends an extension to discuss the paper at future meetings.

A paper considered yesterday

It recommends an extension to discuss the paper at future meetings.

It recommends an extension panies' ownership.

A paper considered yesterday

It recommends an extension panies' ownership. action" on the subject for a the paper at future meetings. by the committee's sub-group of workers' influence both over

A subsequent compromise pro-

posal put forward by the Dutch

oted "some improve-on the question of

which is drawing concrete pro- day-to-day management, and at

A RADICAL new approach to decision-making structures of legally-backed workers veto and is not a necessary condition of industrial democracy is being their company at a variety of a massive extension of collective its extension considered by the TUC-Labour levels.

It admits bargaining, are proposed.

It admits bargaining, are proposed.

It says "ownership is not necessarily the most critical posais suggests a future Labour corporate board level. Various factor determining the degree Government ensure that workers options, such as joint com- or form of industrial democare able to intervene in the mittees, self-management, a racy. It says public ownership,

It admits that the bulk of

election." It says the support of working people has not yet been won for a major extension of public awnership.

Details, Page 12

THE LEX COLUMN

## The old one-two in gilt-edged

The major stock market sectors reacted in sharply differing ways to Sir Geoffrey Howe's deflationary Budget While gilt-edged prices closed 11 points higher, having despatched one tap stock and been confronted with another, the equity market, as measured by the FT 30-Share Index, had its biggest one-day fall since June, 1979. That occasion too, showed the Howe effect at work, although in 1979 Sir Geoffrey

had just raised MLR by two

points, not cut it. The gilt-edged market did not have an entirely easy ride, for the Covernment Broker administered two nasty shocks. First, he very astutely supplied the 1999 tap more than half a point above the price at which most punters—and the jobbers —were expecting to be able to account for roughly a third of buy it. And then at 3.30 he sales—TI has in general been produced an instant fibn grimly hanging on but it has tranche of Exchequer 121 per started to abandon some cent 1990, £15 paid to attract machine tool markets already. the lively-minded and on sale this morning. The idea must be to get as much funding as possible right at the beginning of the financial year, and produce some good money supply figures on the rather swollen

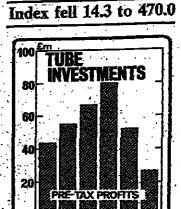
Pebruary base. One major threat to good money figures is the re-appearance of round-tripping in the noney market now that heavy funding is pushing short rates higher. So the Bank of England is having to cut the reserve asset ratio again only a couple of days after raising it. The authorities, like the markets, look to be flying by the seat of their pants.

#### l'ube investments

Tube Investments yesterday became the seventh FT 30-Share Index stock to cut its dividend since the beginning of 1979. no problem even after retained Although this in itself was losses of £27.6m (£50m in the hardly surprising the extent of current cost accounts). Somer the cut—10.5p off the final divi- or later TI will see a worthdend-badly wrong-footed the while cyclical recovery and now market in TI shares, which had at least the equity market been quite firm over the last few knows what the yield is. But days. The share price closed 25p the group remains exposed to lower at 179p, where on the a number of declining indusnew total dividend of 15p the yield is 12.1 per cent. Pre-tax profits, £80m in 1978,

fell from £52.2m to £26.7m in the group barely broke even. tish Aluminium to the motor

in export markets—which shares down 41p yesterday to



1975 '76 '77 '78 '79 '80

The home market shows no sign of picking up, so that the group is making no money at the moment. The only excep-tion is at British Aluminium, where demand for extrusions has recently been picking up, traditionally a leading indica-tion of an upturn. This did not, however, stop BA cutting its total dividend from 131p

The group has been remarkably successful in controlling working capital, so that debt is unchanged despite the payment of £25m cash closure costs. Capital spending programmes have been prune back, although thanks to BA's blg spend on the Lochaber smelter group expenditure has exceeded the (re-appraised) cost depreciation current charge.

Anyway, the balance sheet is no problem, even after retained tries. The market capitalisation is £106m.

1980, and in the second half Turner & Newall Turner and Newall can

Overall pre-tax profits are just components and machine tool £6.4m against £27.5m, and after interests. Only domestic appli- fax there is a deficit of some ances have shown much resili- £9m. In the circumstances

704p the yield still looks far from secure at 12.7 per cent. But a group with annual sales of over £600m and tangible net worth of £330m (of which, admittedly, £95m is locked up in Zimbabwe) must be reluctant to see its market capitalisation slip still lower than the from or so at which it now stands.

Trading showed a loss in the UK in the second half even before interest, and conditions remain wretched. Both the plastics and automotive components divisions have been severely hit, with no visible benefits yet from a programme of overhead reduction. There was a bright spot in the recovery by the UK building materials operation, while overseas motor component profits improved. But the U.S. chemicals business Hunt suffered a sharp setback.

. The reduction in net debt over the year from £125m to £1145m looks disappointingly small given the series of disposals which brought in £44m; gearing is down, but only thanks to the consolidation of the Zimbabwe companies, the first dividends from which will not start to trickle through until later this year. The chairman says he is more confident about the future than he was a year ago; yet a year ago he fbought 1980 would be a better year than 1979.

#### Ultramar

The rapid growth in profits at Ultramar has slowed down in the latter part of 1980. After rising by 159 per cent in the first half, net profits have shown a more modest gain of 15 per cent to £38.1m in the second six monflis, with the final quarter virtually unchanged. As always, the company has provided little in the way of a breakdown. The seems to have been maintained at about 40 per cent and it looks as if the returns from bulk oil trading have been tailing off. However, there seems to have been a compensating improvement in the contribution from eastern Canada, following the integration of the former rival Canadian Fuel Marketers.

In the current year the company no longer has the benefit of its contract for Saudi oil. Volume is down sharply right thank its newly restored. Access to the Canadian pipeline across the range of III's actibusinesses in Zimbabwe, which should provide partial compenvities, from the commodity chipped in £11.2m, for saving it sation for this, but there is unbusiness of steel tube and Brifrom showing a loss for 1980, likely to be any real advance. Access to the Canadian pipeline likely to be any real advance in profits overall. Meanwhile, the company's plans to increase flexibility - and double the margins—at its Quebec refinery ence recently, and even this shareholders are rather lucky to seem to have run into serious seems to be threatened by the get a final dividend as good as problems. The shares fell 2p Budget's attack on consumer 3p a share, making 6p for the yesterday to 495p, where the purchasing power.

Year against 114p. With the yield is a well-covered 3 per

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